

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Livestock Indemnity Program
1-LIP**

Amendment 8

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

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Subparagraph 1 C has been amended to change 5-PL to 6-PL.

Subparagraph 2 G has been amended to provide LIP sequestration percentages.

Subparagraph 3 D has been amended to clarify COC delegation of authority.

Subparagraph 4 A has been amended to provide additional guidance on the approval process for STC established normal mortality rates.

Subparagraph 21 A has been amended to updated the notice of loss deadline.

Subparagraph 22 D has been amended to add mycoplasma bovis.

Subparagraph 22 E has been amended to allow blue tongue to be eligible for all eligible livestock.

Subparagraph 22 H has been amended to provide additional guidance for good management practices.

Subparagraph 24 A has been amended to provide additional guidance for eligible livestock that contribute to the commercial operation.

Subparagraphs 25 C and D have been amended to provide 2024 payment rates.

Subparagraph 25 H has been amended to change 5-PL to 6-PL.

Subparagraph 26 A has been amended to clarify the amount of veterinarian necropsy may need to be completed.

Amendment Transmittal (Continued)

A Reasons for Amendment (Continued)

Subparagraph 28 C has been amended to clarify language on determining livestock beginning inventory history for unweaned livestock.

Subparagraph 29 A has been amended to:

- clarify language on adult and unweaned livestock beginning inventories
- update CCC-856 instructions.

Subparagraph 51 B has been amended to update late-filed notice of loss procedure.

Subparagraph 54 D has been amended to update DD review process.

Subparagraph 54 E has been added to provide procedure for accessing and using the Internal Control Reviews SharePoint Site.

| Page Control Chart | | |
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| TC | Text | Exhibits |
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Part 1 Basic Information

1 Handbook Purpose and Coverage

A Handbook Purpose

This handbook has been issued to provide instructions for administering LIP for the 2019 and subsequent years.

LIP provides assistance to eligible livestock owners and contract growers for eligible livestock deaths in excess of normal mortality as a direct result of an eligible loss condition, as defined in Exhibit 2. Eligible livestock must have died as a direct result of an eligible loss condition within 30 calendar days from the ending date of the eligible loss condition.

In addition, LIP provides assistance to eligible livestock owners who suffered losses due to injured livestock due to an eligible loss condition and sold at a reduced price within 30 calendar days of the end date of the eligible loss condition.

B Source of Authority

LIP is authorized by the Agricultural Act of 2014, as amended, using CCC funds.

The regulations for LIP are provided in 7 CFR Part 1416, Subparts A and D.

C Related Handbooks

Handbooks related to administering LIP include the following:

- 1-APP for program appeals
- 1-CM for signatures, power-of-attorney, and name and address files
- 9-CM for common payment systems
- 10-CM for farm records and reconstitutions for 2013 and subsequent years
- 2-CP for filing and revising acreage reports
- 6-CP for conservation compliance
- 7-CP for equitable relief and finality rule provisions
- 1-FI for processing payments initiated through NPS
- 58-FI for managing debts, receivables, and claims
- 61-FI for prompt payment information
- 63-FI for assignments and joint payments
- 64-FI for establishing and reporting receivables on NRRS
- 2-INFO for providing information to the public
- 3-PL (Rev. 1) for updating subsidiary information in the web-based system
- *--6-PL for “direct attribution”, average AGI provisions, and payment limitation.--*

2 General Provisions

A Public Information

Follow instructions in 2-INFO for providing information about LIP.

B Modifying Provisions

Provisions in this handbook **must not** be revised without prior approval from the National Office. Any requests for revisions or amendments must be sent to the Special Programs Manager, through DAFP.

C Forms

Any document that collects data from a participant, regardless of whether the participant's signature is required:

- is subject to the Privacy Act and information collection procedures
- requires approval or clearance by the following applicable offices:
 - National Office program area
 - Farm Production and Conservation Business Center, MSD.

Only forms, worksheets, application, and other documents issued by the National Office will be used for implementing LIP.

D Deceased Individuals and Dissolved Entities

Follow 1-CM for guidance on accepting signatures for deceased individuals and dissolved entities.

2 General Provisions (Continued)

E Payment Limitation

Payment limitation does not apply to LIP program benefits.

Obtain CCC-902 from the participant if not on file. Do **not** make a “person” determination or “actively engaged in farming” determination. Obtain CCC-901 for legal entities to determine individual members of legal entities for direct attribution.

F AGI Provisions

The average AGI limitation provisions in 7 CFR Part 1400 relating to limits on payments for persons or legal entities, excluding joint ventures and general partnerships, with certain levels average AGI that exceeds \$900,000 will **not** be eligible for benefits under LIP.

G Sequestration Reduction

The Balanced Budget and Emergency Deficit Control Act passed by Congress in 2011 requires USDA to implement reductions to LIP. In general, sequestration entails the permanent cancellation of budgetary resources by a uniform percentage. This uniform percentage reduction is applied to all programs, projects, and activities within a budget account.

LIP payments will have a sequestration percentage applied to the payment amount determined after all reductions have been applied. Sequestration is:

- applied at the payment entity/producer level
- not attributed to members
- applied to the producer receiving the payment after the payment has been attributed for payment limitation purposes
- reduced from the determined payment amount for the producer as the last step before sending the payment information to NPS
- determined based on the COC approval date entered on CCC-852 according to paragraph 66.

*--The following table provides LIP sequestration percentages.

| Program Year | LIP Sequestration Percent |
|-------------------------------|---------------------------|
| 2021 through subsequent years | 5.7 percent |

--*

3 Responsibilities

A STC Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 1416, Subparts A and D, STC's must:

- direct the administration of LIP
- ensure that State Offices, County Offices, and COC's follow LIP provisions
- thoroughly document all actions taken in the STC minutes
- handle appeals according to 1-APP
- require reviews be conducted by DD according to subparagraph 54 D to ensure that County Offices comply with LIP provisions

Note: STC may establish additional reviews to ensure that LIP is administered according to these provisions.

- *--take any oversight actions necessary to ensure that PIIA provisions are met to prevent--* County Offices from issuing any improper payments according to paragraph 25
- establish normal mortality rates for each livestock kind and/or type and weight range according to paragraph 4
- ensure that COC thoroughly documents when COC determines an eligible adverse weather event, according to subparagraph 22 B
- establish eligibility criteria based on a determination of the extremity required to occur to cause death of eligible livestock for livestock deaths because of extreme heat and extreme cold according to paragraph 4

Important: STC will ensure that COC thoroughly documents each case to ensure that:

- payments for livestock losses are made only for losses that are the direct result of extreme heat or extreme cold
- management decisions were not the cause of loss.
- STC may approve or disapprove any LIP applications.

3 Responsibilities (Continued)

D COC Responsibilities (Continued)

- ensure that CED provides DD with a monthly written report of all reviews of third-party certifications according to subparagraph 26 D
- act on completed CCC-852's for LIP according to paragraph 54
- ***--Important:** COC may delegate authority to CED to approve routine cases and similar notices of loss if the original weather event has been reviewed by COC for the same weather condition and same time period.--*
- handle appeals according to 1-APP
- thoroughly document all actions taken in the COC minutes
- **Important:** All the following **must** be thoroughly documented for all LIP program determinations made by COC:
 - the eligible adverse weather event or loss condition meets the requirements in paragraph 22
 - COC determined eligible adverse weather events, according to subparagraph 22 B
 - livestock death or injury due to an eligible attack was due to a confirmed eligible attack as opposed to any other cause of loss
 - all factors reviewed or considered
 - all documentation reviewed
 - references to applicable handbooks, notices, and regulations
 - all sources of information obtained for review or consideration
 - document the eligible loss condition and how it contributed to the livestock loss.
- take any oversight actions necessary to ensure that PIIA provisions are met to prevent County Offices from issuing any improper payments according to paragraph 25
- ensure that FSA assists persons by providing as much program information as it can in a variety of different ways.

3 Responsibilities (Continued)

D COC Responsibilities (Continued)

Notes: Because of the limits of FSA resources, publication may or may not be by direct mail or on an individual basis. FSA meets its publication responsibilities by making broad program announcements in the press, print and electronic media, Federal Register documents, radio and television announcements, and through posting program information in USDA Service Centers.

The reality of limited resources has increased the participant's responsibility for being aware of program provisions. FSA cannot be responsible for reaching out to every potential program participant with all program information. Participants must seek information on program details and not wait for FSA to individually write or communicate with them about program provisions. As resources permit, COC will ensure that program provisions are publicized and maintain a record of any and all publicity efforts including postings in the Service Center.

The LIP Fact Sheet may be used to provide some of the information in this subparagraph. The fact sheet is available online at <http://disaster.fsa.usda.gov>.

4 Normal Mortality and Extreme Cold/Extreme Heat

A Establishing Normal Mortality Rates

LIP compensates eligible livestock owners for eligible livestock death losses that occur in excess of normal mortality as a direct result of an eligible loss condition during the calendar year.

Eligible livestock for payment for a specific kind/type and weight range of livestock will be determined for livestock dying as a direct result of an eligible loss condition after applying the normal mortality rate for the specific kind/type and weight range of livestock.

The number of normal mortality livestock is determined by multiplying the applicable normal mortality percentage by the number of livestock of that specific kind/type and weight range in inventory at the time of the eligible loss condition and death loss of the animal. The resulting number of normal mortality deaths is subtracted from the number of eligible livestock in inventory at the time of the eligible loss condition and death.

The resulting number of normal mortality deaths is the loss threshold and is subtracted from the number of eligible reported normal mortality losses first, any negative balance, would be subtracted from the eligible reported losses from the event to determine the number of eligible livestock for payment.

Example: Producer A owned 100 head of adult beef cattle on the beginning date of an eligible loss condition.

- normal mortality is 2 percent
- 5 head were lost
- $100 \text{ head} \times 2 \text{ percent} = 2$ (loss threshold)
- $5 \text{ head lost} - 2 \text{ (loss threshold)} = 3$ head adult beef cattle eligible for payment.

For the State, STC will establish normal mortality rates for each livestock kind/type and weight range listed in subparagraphs 25 C and D by obtaining recommendations from applicable:

- State livestock organizations
- State Cooperative Extension Service
- other knowledgeable and credible sources.

Normal mortality rates are the same as previously established for prior program years. If STC determined that a specific livestock's kind/type and weight range's normal mortality warrants updating, then STC's must obtain recommendations from applicable:

- State livestock organizations
- State Cooperative Extension Service
- other knowledgeable and credible sources.

4 Normal Mortality and Extreme Cold/Extreme Heat (Continued)

A Establishing Normal Mortality Rates (Continued)

STC's will document recommendations and determinations in STC minutes and attach copies of documentation used to determine normal mortality rates.

If sufficient documentation is **not** available to establish normal mortality rates, STC's will obtain documentation from contiguous STC's that have established normal mortality rates. If documentation is **not** available for establishing normal mortality rates from sources listed within user's State or contiguous States, STC will establish normal mortality rates using the national normal mortality rates in Exhibit 4.

STC's must:

- *--established for all livestock kinds, types, and weight ranges listed in subparagraphs 25 C and D
- document recommendations and determinations of normal mortality rates in STC minutes
- attach copies of Exhibit 4 to applicable STC minutes
- attach copies of documentation used to determine normal mortality rates to applicable STC minutes
- submit recommended normal mortality rates, STC minutes, and supporting documentation to DAFP for approval through correspondence on the DAFP SharePoint hub at [https://usdagcc.sharepoint.com/:u:/r/sites/FPAC-FSA-DAFPReliefCorrespondence/SitePages/DAFP-Correspondence-\(demo\).aspx?csf=1&web=1&e=xsc13T](https://usdagcc.sharepoint.com/:u:/r/sites/FPAC-FSA-DAFPReliefCorrespondence/SitePages/DAFP-Correspondence-(demo).aspx?csf=1&web=1&e=xsc13T).

After DAFP approval, State Offices must load the DAFP-approved normal mortality rates into the LIP software. The rates must then be second party-approved by the National Office.--*

Part 2 Policy and Procedure

21 Signup Period

A LIP Signup

Livestock owners or contract growers who suffered livestock losses will file a notice of loss and an application for payment in the service center responsible for the physical location county where the livestock deaths or injuries occurred.

*--For 2019 through 2022 livestock losses, livestock owners and contract growers must file a notice of loss by 30 calendar days of when the loss is first apparent to the participant, and an application for payment must be filed by 60 calendar days after the end of the calendar year in which the losses occur.

For 2023 and subsequent livestock losses, livestock owners and contract growers must file a notice of loss and an application for payment within 60 calendar days after the end of the calendar year in which the loss occurred.--*

Note: For:

- notice of loss, complete CCC-852, Parts A and B
- application for payment, complete CCC-852, Parts D through J.

21 Signup Period (Continued)

B Late-Filed Provisions

The COC and STC do not have authority to approve programmatic relief for late-filed CCC-852's. However, a late-filed CCC-852 will be reviewed according to the following table:

Note: Neither COC nor STC are under any obligation to recommend relief. COC is not required to submit cases to STC that COC believes do not warrant relief, nor is STC required to submit cases to DAFP that STC believes do not warrant relief. If relief is not recommended by either COC or STC, the late-file application will be disapproved and the County Office will notify the participant in writing of the decision on the participant's request for late-filed CCC-852 with appropriate appeal rights according to 1-APP (based on the reviewing authority's decision that the CCC-852 was late and that relief was not appropriate). Cases do not have to be submitted to STC or DAFP for disapproval of relief.

| If CCC-852 is submitted... | THEN do the following... |
|---|--|
| after the deadline but it is not accompanied by a written request of the participant for late-filing | County Office will issue a letter to the participant explaining that FSA cannot process CCC-852 because it was filed after the deadline. The letter must advise the participant that the participant may, within 30 calendar days of the receipt of the letter advising that CCC-852 was filed late, file a written appeal with COC of the notification by County Office according to 1-APP. |
| after the application deadline and is either accompanied by a written request for late-filing or the participant has filed a timely appeal of the FSA County Office's notification that the application cannot be processed | <p>COC will review and make a determination of whether relief is appropriate and, if so, forward a recommendation to STC for final action. STC will review the participant's request and COC recommendation.</p> <p>Notes: If the matter comes to COC by appeal, follow 1-APP for acknowledging and scheduling an appeal.</p> <p>Neither COC nor STC are under any obligation to recommend relief. COC or STC can disapprove CCC-852 and choose not to forward a recommendation for relief of approval of the late-filed CCC-852 to DAFP. STC will forward an appropriate recommendation to DAFP to grant programmatic relief.</p> <p>DAFP may:</p> <ul style="list-style-type: none"> • grant relief to approve the late-filed CCC-852 <p>Note: The FSA representative will sign and date CCC-852 with the effective DAFP decision date.</p> <ul style="list-style-type: none"> • deny relief and disapprove the CCC-852. <p>Note: State Offices will advise COC to notify the participant in writing that relief has been disapproved by DAFP. The letter must include appropriate appeal rights according to 1-APP.</p> |

22 Eligible and Ineligible Loss Conditions (Continued)

D Eligible Disease Exacerbated by Weather (Continued)

--The following further information is provided for cyanobacteria, larkspur poisoning, and mycoplasma bovis:--

Cyanobacteria

Heavy rainfall followed by prolonged periods of hot temperatures is **not** considered an eligible adverse weather event **except** when associated with cyanobacteria, a toxin that is exacerbated by heavy rainfall followed by prolonged periods of hot temperatures and results in the death of eligible livestock.

Blue-green algae blooms grow excessively and produce toxins (cyanobacteria) specifically after heavy rainfall followed by prolonged periods of hot temperatures. Blue-green algae blooms can be stimulated following storms when surface runoff containing phosphorus and nitrogen enters receiving waters. It has been determined that cyanobacteria is exacerbated by excessive/heavy rainfall followed by prolonged period of excessive heat and cannot be preventable with vaccinations and/or good management practices. However, after the first episode of livestock death losses because of cyanobacteria, it is part of a livestock producer's good management practices to prevent/control algae blooms by fencing off downwind drinking areas, providing livestock another water source, adding copper sulfate to the water as an algacide, establishing a vegetated buffer strips around the lake/pond, etc.

To be considered eligible to receive benefits under LIP because of cyanobacteria, State Offices are responsible for establishing eligibility criteria for livestock deaths because of cyanobacteria. STC will ensure that COC thoroughly documents each case to ensure that:

- excessive/heavy rainfall followed by a prolonged period of excessive heat occurred before the time the livestock died
- livestock died during the first episode of cyanobacteria concentrated in a specific pond/lake, during the same calendar year

Important: Therefore, livestock deaths that occur after the first episode of cyanobacteria from the same pond/lake, during the same calendar year, are not eligible for livestock death loss benefits under LIP.

- producers must provide proof (acceptable to FSA) of livestock death losses because of cyanobacteria according to paragraph 26.

22 Eligible and Ineligible Loss Conditions (Continued)

D Eligible Disease Exacerbated by Weather (Continued)

Larkspur Poisoning

Unusual cold and wet conditions is not considered an eligible adverse weather event except when associated with larkspur poisoning, a plant that becomes toxic after unusual cold and wet conditions and results in the death of eligible livestock.

The larkspur plant grows excessively and becomes toxic during unusual cold and wet conditions; however, under normal conditions the plant dries out and is nontoxic. Under normal conditions, producers manage their cattle rotations around the plant during its most poisonous stage of growth. But, during unusually cold and wet conditions, the plant suddenly becomes toxic and the livestock consume the highly palatable plant and die before producers have time to remove the livestock from the area. It has been determined that larkspur poisoning cannot be prevented with vaccinations and/or good management practices. However, research indicates that applying herbicides controls larkspur to a level that would provide a significant reduction in cattle deaths. But, producers with livestock that are grazing rangeland that is managed by a Federal Agency may be prohibited from applying herbicides to the rangeland.

To be considered eligible to receive benefits under LIP because of larkspur poisoning, State Offices are responsible for establishing eligibility criteria for livestock deaths because of larkspur poisoning. STC will ensure that COC thoroughly documents each case to ensure that:

- unusual cold and wet conditions occurred before the time the livestock died
- the livestock death loss occurred on rangeland that is managed by a Federal Agency for which the producer is prohibited from applying herbicides

Important: Livestock death losses that occur on rangeland that is **not** managed by a federal agency and/or for which the producer is **not** prohibited from applying herbicides are **not** eligible for LIP benefits.

- producers must provide proof (acceptable to FSA) of livestock death losses because of larkspur poisoning according to paragraph 26.

22 Eligible and Ineligible Loss Conditions (Continued)

D Eligible Disease Exacerbated by Weather (Continued)

*--Mycoplasma Bovis (M. bovis)

Research has indicated that the bacteria M. bovis is transmitted from bison to bison through instances of adverse weather conditions that cause stressors for bison and enhance transmission and symptoms. Research further shows that bison often carry M. bovis, sometimes without transmission, until it is triggered by stressors, including drought, extreme cold, and oscillating temperature that includes precipitation.

Once symptomatic, it is nearly impossible to treat M. bovis in bison. Vaccines for cattle have been produced but are not presently labeled for use in bison. Because of management difficulties, testing for M. bovis in bison is very difficult. When M. bovis is triggered in an animal, no mitigation procedures are available. In fact, trying to treat bison has led to an increased spread of the disease because of the stress of handling this particular species of livestock.

Animals that exhibit signs of M. bovis typically have symptoms such as difficulty breathing and arthritis in the joints making movement nearly impossible.

Current management options include separating the existing symptomatic animals and euthanizing them or quarantining them until their death.

To be considered eligible to receive benefits under LIP because of M. bovis, State Offices are responsible for establishing eligibility criteria for M. bovis bison deaths, due to an eligible adverse weather event. These events may include but are not limited to extreme cold weather with oscillating temperature, often including precipitation that induces increased amounts of stress for livestock. Drought may also be an eligible cause of loss if a veterinarian determines that the spread of this disease is exacerbated by drought.

STC will ensure that COC documents each case to ensure that:

- eligible adverse weather events used to determine eligibility for M. bovis death in bison adheres to policy requirements provided in 1-LIP, subparagraph 22 B

Example: Extreme cold, with oscillating temperatures and/or precipitation, occurred within a reasonable timeframe before the livestock died.

- producers provide proof (acceptable to FSA) of livestock death losses because of M. bovis according to 1-LIP, paragraph 26.

Example: A veterinarian provides a signed certificate that the death loss was attributed to M. bovis.--*

22 Eligible and Ineligible Loss Conditions (Continued)

D Eligible Disease Exacerbated by Weather (Continued)

Note: This may include, but is not limited to, a polymerase chain reaction (PCR) test from the joint of at least one animal to confirm that *M. bovis* was present. If a vaccine becomes available for use in the treatment of *M. bovis* in bison in the future, DAFP may revise this policy to reflect the federal regulations concerning eligible disease loss under LIP.

E Eligible Disease Transmitted by Vectors

An eligible disease transmitted by vectors, as defined in Exhibit 2, is a disease that DAFP has determined is caused or transmitted by vectors and vaccination or acceptable management practices are not available, that directly results in death of eligible livestock in excess of normal mortality. Eligible diseases are not eligible loss conditions for injured livestock sold at a reduced price.

DAFP has determined that both of the following criteria must be met to consider a disease transmitted by vectors as eligible for livestock death losses under LIP:

- is caused and/or transmitted by vectors
- vaccination or acceptable management practices are not available, whether or not they were or were not implemented.

Note: STC shall consider these criteria when requesting that DAFP add a specific disease as an eligible loss condition for livestock death losses under LIP.

DAFP may add additional eligible loss conditions for livestock death losses based on recommendation from STC.

DAFP has determined the following diseases transmitted by vectors as eligible diseases under LIP:

- bluetongue (BTV, bluetongue virus, or bluetongue disease)
- EHD (Epizootic hemorrhagic disease, or Epizootic hemorrhagic disease virus, or EHDV)
- CVV (Cache Valley virus)
- *Theileria orientalis*.

* * *

22 Eligible and Ineligible Loss Conditions (Continued)

H Ineligible Loss Conditions

Any loss that is not the direct result of an eligible loss condition, as defined in Exhibit 2, is not eligible under LIP.

*--A loss that is the result of a management decision is not an eligible loss condition. Good management decisions are defined as the cultural practices to make normal progress toward maturity and expected production generally recognized by agriculture experts in the area. Examples of good management decisions include, but are not limited to, vaccination protocols for common disease and parasites, biosecurity practices, proper treatment of livestock, and other practices to progress toward maturity and expected production.

Management decisions are a factor for any livestock deaths because of extreme cold, as--* established by the applicable STC. However, when reviewing livestock death losses of unweaned livestock because of extreme cold, COC will disregard vaccination protocols when evaluating if acceptable minimal best management practices were followed. COC will consider, and take into account, the measures a livestock owner or contract grower took to protect the livestock, the time of year and expected average weather, shelter requirements, and the providing of shelter for young animals that may be more susceptible to injury or death and breeding management. All livestock will have best management practices applied, regardless of the loss condition.

Livestock deaths or injuries because of insufficient or contaminated water or feed during a drought are considered to be the result of a management decision and are not eligible for LIP.

Confinement operations must follow good management practices and confinement facility's operating equipment must meet industry standards to be eligible for LIP. Poultry and/or swine death losses in confinement operations that are attributed to an eligible adverse weather event causing the confinement operation's equipment to malfunction are not eligible for compensation under LIP if:

- good management practices are not followed
- the confined livestock operation's facilities do not possess all the equipment that meets industry standards such as, but not limited to, backup generators, alarm systems, fans, etc.
- management decisions were made not to take the necessary measures that could have prevented the loss.

23 Veterinarian Certification Regarding Deaths Due to Disease**A Veterinarian Certifications**

COC will review notices of loss and applications for payment and make appropriate disease determinations, in accordance with policy, if an eligible adverse weather event exacerbated the disease that caused the death of eligible livestock.

If the application is accompanied by a signed certification statement on CCC-854A from a licensed and in good standing veterinarian regarding the veterinarian's personal observation of the animals and knowledge of the deaths of the animals and the veterinarian certifies to all of the following, COC can make an appropriate determination of eligibility:

- how deaths due to disease, even diseases not included as eligible diseases in subparagraph 22 D, were caused or exacerbated by an eligible adverse weather event
- deaths were not otherwise avoidable and preventable using good husbandry and management protocols and practices.

Regardless if the signed CCC-854A mentions that an eligible adverse weather event occurred, the question of whether there is an eligible adverse weather event that occurred must be made based on the COC's review of weather data, as provided in subparagraph 22 B.

Important: A veterinarian may not certify to deaths of animals as described in this subparagraph, that the veterinarian has a direct or indirect interest in.

23 Veterinarian Certification Regarding Deaths Due to Disease (Continued)

B Example of CCC-854A

This form is available electronically.

| CCC-854A (06-06-19) | | U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation | | | | | |
|--|---|---|---|--------------------------|---|---------------------|---|
| LIVESTOCK INDEMNITY PROGRAM Veterinarian Certification | | 1. State and County Code | 2. Calendar Year | | | | |
| | | 3. County Office Name and Address (Include Zip Code) | | | | | |
| <p>NOTE: <i>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1416, the Commodity Credit Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79), as amended. The information will be used to determine eligibility for livestock indemnity program benefits. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental 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 (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for livestock indemnity program benefits.</i></p> <p><i>This information collection is exempted from the Paperwork Reduction Act, as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F - Administration), as amended.</i></p> <p><i>The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</i></p> | | | | | | | |
| PART A LIVESTOCK PRODUCER INFORMATION | | | | | | | |
| 4. Producer's Name and Address (City, State and Zip Code) | | | | | | | |
| PART B VETERINARIAN INFORMATION FROM A LICENSED AND IN GOOD STANDING VETERINARIAN | | | | | | | |
| 5. Veterinarian Name and Address (City, State, and Zip Code) | | | 6. License Number and State | | | | |
| PART C LIVESTOCK INFORMATION | | | | | | | |
| 7. Livestock Kind/Type and Weight Range | 8. Date of Livestock Death (MM-DD-YYYY) | 9. Number of Livestock Deaths Due to a Disease Caused/ Exacerbated By an Eligible Adverse Weather Event | 10. Unweaned (Applicable for Extreme Cold Only) | | 11. Location of Livestock Deaths (County Name and Location) | 12. Type of Disease | 13. Eligible Adverse Weather Event and Date |
| | | | YES | NO | | | |
| | | | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| | | | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| | | | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| 14. Please explain, based on your personal observation of the animals and knowledge of the deaths of the animals shown on this form: 1) how deaths of all of the livestock indicated in Part C were caused by or exacerbated by an eligible adverse weather event; and 2) if those deaths were not otherwise avoidable and preventable using good animal husbandry and management protocols and practices. | | | | | | | |
| 15. Were good animal husbandry and management protocols and practices followed to prevent the disease and loss of livestock (Check applicable box and enter reason)? This item may be left blank for loss of livestock due to a disease exacerbated by extreme cold. <input type="checkbox"/> YES <input type="checkbox"/> NO | | | | | | | |
| PART D VETERINARIAN SIGNATURE CERTIFICATION | | | | | | | |
| I certify that: <ul style="list-style-type: none"> • The specific details I have identified in Part C are true and correct. • All information provided on this form, whether personally entered by me or not is true and correct to the best of my knowledge. | | | | | | | |
| 16A. Veterinarian's Signature (By) | | | | | 16B. Date (MM-DD-YYYY) | | |
| In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident. | | | | | | | |
| Persons with disabilities who require alternative means of communication (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English. | | | | | | | |
| To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intel@usda.gov . USDA is an equal opportunity provider, employer, and lender. | | | | | | | |

24 Eligible Livestock, Owners, and Contract Growers Eligibility Criteria

A Eligible Livestock

To be eligible livestock under LIP, the livestock must meet all of the following:

- been owned by an eligible livestock owner or be in the possession of an eligible contract grower on the day of the eligible loss condition and when the livestock died
- been owned by an eligible livestock owner on the day of the eligible loss condition that caused injury to the livestock
- been maintained or produced for commercial use for livestock sale or for the production of livestock products such as milk or eggs as part of a farming operation on the day the livestock died or were injured

*--**Note:** Livestock that contribute to the commercial viability of an operation and are maintained for the purposes of pleasure, roping, pets, or show, by an owner, lessee, or contract grower are eligible because they are maintained as part of the commercial operation.--*

- die in excess of normal mortality as a direct result of an eligible loss condition to be eligible for payment
- injured due to an eligible loss condition and was sold through an independent third party (sale barn, slaughter facility, or rendering facility) no later than 30 calendar days after the ending date of the applicable eligible loss condition
- die no later than 30 calendar days after the ending date of the applicable eligible loss condition.

Note: The death of an animal within 30 days of the date of an occurrence of an eligible loss condition will **not** be presumed to be an eligible loss. Evidence and documentation must be submitted to FSA and FSA must be satisfied that the death of the animal was the direct result of the eligible loss condition.

24 Eligible Livestock, Owners, and Contract Growers Eligibility Criteria (Continued)

C Eligibility for Unweaned Livestock Due to Eligible Loss Conditions, Except Extreme Cold

Unweaned livestock that do not meet the definition of newborn livestock in Exhibit 2, that die due to an eligible loss condition, are considered eligible livestock. Unweaned livestock death losses will be considered a nonadult for the specific livestock kind, type, and weight range, due to an eligible loss condition if all the following apply:

- are expected to survive under normal conditions
- the death was directly caused by an eligible loss condition.

D Eligibility for Unweaned Livestock Due to Extreme Cold

All unweaned livestock that are either produced or maintained for commercial use as part of a farming operation that die due to extreme cold are eligible for LIP without regard to vaccination protocols.

E Ineligible Livestock

Animals **not** eligible for LIP include but are not limited to, the following:

- animals produced or maintained for reasons other than commercial use as part of a farming operation, as determined by FSA, including, but not limited to:
 - wild, free roaming animals
 - horses and other animals used or intended to be used for racing or wagering
 - animals produced or maintained for consumption by owner
 - animals produced or maintained for hunting
- animals that died or were injured due to management decisions.

Example: Sam Smith owns 5 horses, 2 beef steers, and 3 goats. Smith maintains the *--horses for pleasure riding and fox hunting and maintains the goats as pets--* for his children. He maintains the beef steers to be consumed by his family. Accordingly, Smith does not maintain any of the livestock for commercial use as part of a farming operation. All the animals died because of a blizzard, an eligible adverse weather event.

As long as Smith's livestock are maintained as pets and for pleasure riding, they are considered eligible for LIP. If Smith does not maintain his beef for commercial use as part of his farming operation, but to be consumed by his family only, they are not eligible livestock in this example.

24 Eligible Livestock, Owners, and Contract Growers Eligibility Criteria (Continued)

E Ineligible Livestock (Continued)

- catfish
- crawfish

* * *

- pheasants
- quail
- stillborn livestock
- unborn livestock

Example: A pregnant adult beef cow died before the birth of the calf. Only the pregnant cow may be considered eligible for payment. The unborn calf is **not** eligible livestock and must be excluded from beginning inventory.

- yaks
- any wild free roaming livestock, including equine and deer

Important: Contact the National Office Special Programs Manager, through the State Office, when the reason for livestock death is questionable.

25 General Payment Information, Rates and Reductions (Continued)

C Payment Rates for Eligible Livestock for Livestock Owners

LIP provides separate payment rates for eligible livestock owners and eligible contract growers. See subparagraph D for payment rates for eligible livestock contract growers.

Payment rates for livestock owners are based on 75 percent of the average fair market value, as determined by CCC, for the specific livestock category. The following table provides LIP per head payment rates, by livestock category, for eligible livestock owners.

The weight range of “less than 250 pounds” was removed for 2023 moving forward.

*--

| Kind | Type | Weight Range | Payment Rate Per Head | | | |
|------------------------------------|---------------------------------------|----------------------|-----------------------|------------|------------|------------|
| | | | 2021 | 2022 | 2023 | 2024 |
| Alpacas | | | \$283.33 | \$303.99 | \$365.00 | \$443.99 |
| Beef | Adult | Bull | \$1,195.31 | \$1,077.94 | \$1,512.19 | \$1,904.81 |
| | | Cow | \$919.47 | \$829.18 | \$1,163.23 | \$1,465.24 |
| | Nonadult | Less than 250 pounds | \$163.15 | \$175.27 | | |
| | | 250 to 399 pounds | \$441.56 | \$474.38 | | |
| | | Less than 400 pounds | | | \$540.47 | \$627.86 |
| | | 400 to 799 pounds | \$609.53 | \$661.32 | \$746.77 | \$984.12 |
| | 800 pounds or more | \$1,015.88 | \$1,102.20 | \$1,618.00 | \$1,640.19 | |
| Beefalo | Adult | Bull | \$1,453.19 | \$1,346.40 | \$1,605.74 | \$1,865.17 |
| | | Cow | \$1,159.95 | \$1,075.81 | \$1,274.58 | \$1,474.98 |
| | Nonadult | Less than 250 pounds | \$234.56 | \$235.86 | | |
| | | 250 to 399 pounds | \$586.99 | \$559.20 | | |
| | | Less than 400 pounds | | | \$588.39 | \$602.73 |
| | | 400 to 799 pounds | \$861.94 | \$871.54 | \$916.72 | \$1,074.63 |
| | 800 pounds or more | \$1,280.62 | \$1,304.01 | \$1,381.98 | \$1,642.06 | |
| Buffalo/ Bison/Water Buffalo | Adult | Bull | \$1,882.98 | \$1,793.84 | \$1,761.65 | \$1,799.10 |
| | | Cow | \$1,560.75 | \$1,486.86 | \$1,460.18 | \$1,491.23 |
| | Nonadult | Less than 250 pounds | \$353.58 | \$336.84 | | |
| | | 250 to 399 pounds | \$586.99 | \$559.20 | | |
| | | Less than 400 pounds | | | \$588.39 | \$600.90 |
| | | 400 to 799 pounds | \$1,282.63 | \$1,221.91 | \$1,199.98 | \$1,225.49 |
| | 800 pounds or more | \$1,721.86 | \$1,640.35 | \$1,610.91 | \$1,645.16 | |
| Caribou | | | \$382.60 | \$410.50 | \$492.88 | \$599.56 |
| Chickens | Broilers/ Pullets (Regular Size) | 4.26 – 6.25 pounds | \$2.12 | \$2.93 | \$3.49 | \$3.00 |
| | Chicks | | \$0.19 | \$0.27 | \$0.32 | \$0.27 |
| | Layers | | \$4.00 | \$4.29 | \$11.99 | \$5.40 |
| | Pullets/ Cornish Hens (Small Size) | Less the 4.26 pounds | \$1.43 | \$1.97 | \$2.35 | \$2.02 |
| | Roasters | 6.26 – 7.75 pounds | \$2.70 | \$3.73 | \$4.44 | \$3.82 |
| | Super Roasters/Parts | 7.76 pounds or more | \$3.55 | \$4.90 | \$5.84 | \$5.02 |
| Dairy | Adult | Bull | \$1,042.76 | \$1,107.99 | \$1,254.02 | \$1,417.99 |
| | | Cow | \$975.00 | \$1,021.88 | \$1,198.13 | \$1,321.88 |
| | Nonadult | Less than 250 pounds | \$43.24 | \$45.32 | | |
| | | 250 to 399 pounds | \$243.75 | \$255.47 | | |
| | | Less than 400 pounds | | | \$299.53 | \$330.47 |
| | | 400 to 799 pounds | \$487.50 | \$510.94 | \$599.06 | \$660.94 |
| | 800 pounds or more | \$739.59 | \$825.36 | \$978.47 | \$1,079.53 | |

--*

25 General Payment Information, Rates and Reductions (Continued)

C Payment Rates for Eligible Livestock for Livestock Owners (Continued)

*--

| Kind | Type | Weight Range | Payment Rate Per Head | | | |
|-----------|----------------------------|---------------------|-----------------------|------------|----------|------------|
| | | | 2021 | 2022 | 2023 | 2024 |
| Deer | | | \$382.60 | \$410.50 | \$492.88 | \$599.56 |
| Ducks | Ducklings | | \$0.68 | \$0.67 | \$0.69 | \$0.74 |
| | Ducks | | \$4.24 | \$4.20 | \$4.29 | \$4.61 |
| Elk | | | \$531.09 | \$569.81 | \$684.17 | \$832.24 |
| Emus | | | \$152.61 | \$163.74 | \$196.61 | \$239.16 |
| Equine | | | \$648.61 | \$695.91 | \$835.57 | \$1,016.42 |
| Geese | Goose | | \$24.91 | \$31.67 | \$43.58 | \$52.48 |
| | Gosling | | \$5.23 | \$6.65 | \$9.15 | \$11.02 |
| Goats | Bucks | | \$229.35 | \$214.31 | \$215.62 | \$181.80 |
| | Nannies | | \$148.52 | \$198.33 | \$137.67 | \$123.49 |
| | Slaughter Goats/Kids | | \$100.63 | \$114.70 | \$107.73 | \$70.76 |
| Llamas | | | \$229.02 | \$245.72 | \$295.04 | \$358.89 |
| Ostriches | | | \$648.00 | \$1,042.82 | \$893.28 | \$796.14 |
| Reindeer | | | \$382.60 | \$410.50 | \$492.88 | \$599.56 |
| Sheep | Ewes | | \$144.80 | \$215.51 | \$233.35 | \$169.21 |
| | Lambs | | \$169.39 | \$227.77 | \$183.33 | \$179.26 |
| | Rams | | \$399.14 | \$549.01 | \$554.78 | \$577.14 |
| Swine | Suckling/Nursery Pigs | Less than 50 pounds | \$28.57 | \$56.42 | \$59.36 | \$39.65 |
| | Lightweight Barrows/ Gilts | 50 to 150 pounds | \$52.22 | \$96.23 | \$101.65 | \$73.13 |
| | Sows/Boars/ Barrows/ Gilts | 151 to 450 pounds | \$75.86 | \$107.99 | \$115.30 | \$99.00 |
| | Boars/Sows | 451 pounds or more | \$112.32 | \$264.08 | \$266.90 | \$185.62 |
| Turkeys | Poults | | \$3.71 | \$2.85 | \$2.33 | \$2.60 |
| | Toms/Fryers/ Roasters | | \$18.00 | \$21.72 | \$24.81 | \$26.53 |

--*

25 General Payment Information, Rates and Reductions (Continued)

D Payment Rates for Eligible Livestock for Livestock Contract Growers

LIP provides separate payment rates for eligible livestock owners and eligible contract growers. See subparagraph C for payment rates for eligible livestock owners.

Payment rates for livestock contract growers are based on 75 percent of the national average income loss sustained, as determined by CCC, by the contract grower with respect to the dead livestock. The following table provides per head payment rates, by livestock category, for eligible livestock contract growers.

*--

| Kind | Type | Weight Range | Payment Rate Per Head | | | |
|----------|-----------------------------------|-----------------------|-----------------------|----------|----------|---------|
| | | | 2021 | 2022 | 2023 | 2024 |
| Chickens | Broilers/Pullets (Regular Size) | 4.26 – 6.25 pounds | \$0.23 | \$0.32 | \$0.38 | \$0.33 |
| | Chicks | | \$0.16 | \$0.22 | \$0.26 | \$0.22 |
| | Layers | | \$0.24 | \$0.26 | \$0.72 | \$0.32 |
| | Pullets/Cornish Hens (Small Size) | Less than 4.26 pounds | \$0.16 | \$0.22 | \$0.26 | \$0.22 |
| | Roasters | 6.26 – 7.75 pounds | \$0.30 | \$0.41 | \$0.49 | \$0.42 |
| | Super Roasters/Parts | 7.76 pounds or more | \$0.39 | \$0.54 | \$0.64 | \$0.55 |
| Ducks | Ducks | | \$0.47 | \$0.46 | \$0.47 | \$0.51 |
| | Ducklings | | \$0.47 | \$0.46 | \$0.47 | \$0.51 |
| Geese | | | \$2.74 | \$3.48 | \$4.79 | \$5.77 |
| Swine | Suckling nursery pigs | Less than 50 pounds | \$3.25 | \$6.41 | \$6.74 | \$4.50 |
| | Lightweight Barrows/Gilts | 50 to 150 pounds | \$7.84 | \$14.45 | \$15.27 | \$10.98 |
| | Sows/Boars/Barrows/ Gilts | 151 to 450 pounds | \$11.39 | \$16.22 | \$17.32 | \$14.87 |
| | Boars/Sows | 450 pounds or more | \$46.16 | \$108.52 | \$109.68 | \$76.28 |
| Turkeys | Poults | | \$0.41 | \$0.31 | \$0.26 | \$0.29 |
| | Toms/Fryers/Roasters | | \$1.98 | \$2.39 | \$2.73 | \$2.92 |

--*

25 General Payment Information, Rates and Reductions (Continued)**G Assignments and Offsets**

For LIP, County Offices will:

- accept assignments according to 63-FI
- apply offsets according to 58-FI.

H Payment Eligibility Requirements

A participant must meet all the following before a payment will be issued:

- current CCC-902 on file for the participant on CCC-852
- *--CCC-901 on file for legal entities according to 6-PL--*
- AD-1026 on file according to 6-CP
- not be in violation of fraud provisions, including FCIC fraud provisions, according to 1--CM and 3-PL (Rev. 1)
- compliance with:
 - *--average AGI provisions according to 6-PL--*
 - controlled substance provisions according to 1-CM.

County Offices will record determinations for the applicable criteria in the web-based *--eligibility system according to 6-PL.--*

25 General Payment Information, Rates, and Reductions (Continued)

I Conservation Compliance Provisions

AD-1026 applicable to the year for which LIP benefits are requested must be on file for the participant and affiliates, if applicable, according to 6-CP.

If AD-1026 applicable for the year for which LIP benefits are requested is:

- already on file for the participant, and affiliates, if applicable, it is not necessary to obtain a new AD-1026 for LIP
- not on file for the participant, and affiliates, if applicable, County Office will obtain a completed AD-1026 applicable to the year for which LIP benefits are requested.

If a new AD-1026 is required to be filed, payments may be issued to eligible participants upon signing AD-1026, item 12. It is not necessary to withhold payments pending NRCS highly erodible land or wetland determinations. The continuous certification statement on AD-1026 requires participants to refund program payments if an NRCS determination results in the discovery of a HELC/WC violation.

J Prevention of Improper Payments

--PIIA requires Federal agencies to evaluate programs to determine whether internal-- controls are sufficient to prevent improper payments. County Offices must take all steps necessary to ensure that program and payment eligibility requirements have been met before issuing any payments.

K Definition of Improper Payment

Improper payment, as defined by OMB, means any payment that should **not** have been issued or was issued in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirement.

26 Required Documentation for Livestock Death and Injury

A Acceptable Proof of Death or Injury

When CCC-852 is submitted, participants must provide **acceptable** documentation of livestock deaths or injuries claimed on CCC-852, including livestock that the participant claims died because of normal mortality. Adequate documentation must be provided that proves the death or injury of eligible livestock occurred as a direct result of an eligible loss condition in the calendar year for which benefits are being requested.

--For situations where a veterinarian necropsy is completed on a sample of livestock and COC has determined it is reasonable that all other livestock directly died from the loss condition, all livestock can be determined to have directly died from the eligible loss condition.--

Notes: See subparagraph B for verifiable documentation required for proof of amount livestock owners received for injured livestock sold at a reduced price.

See paragraph 30 for required documentation for livestock death losses and injury due to an eligible attack.

Acceptable documentation must provide sufficient data that identifies the quantity and the livestock kind/type and weight range. Documents providing acceptable evidence may include, but are not limited to, any or a combination of the following:

- rendering truck receipts or certificates
- FEMA records
- National Guard records
- veterinary records
- records assembled for tax purposes
- private insurance documents
- bank or other loan documents
- contemporaneous producer records existing at the time of event
- pictures with a date
- brand inspection records
- dairy herd improvement records.

Notes: In addition, livestock contract growers must provide a copy of their grower contract.

See Exhibits 7, 8, and 9 for examples on reviewing producer applications and supporting documents.

26 Required Documentation for Livestock Death and Injury (Continued)**B Verifiable Documentation of Amount Received for Sale of Injured Livestock**

When a participant claims that livestock were injured due to an eligible loss condition and were sold at a reduced price, the participant must provide verifiable documentation of the amount received for the sale of injured livestock. The injured livestock must be sold through an independent third party (sale barn, slaughter facility or rendering facility). Only verifiable documentation of the amount received for sale of injured livestock is acceptable. The participant must provide verifiable evidence of injured livestock sold at a reduced price.

Documents that may provide verifiable evidence of amount received for sale of injured livestock sold include but are **not** limited to, any or a combination of the following:

- sales receipt from a livestock auction, sale barn or other similar livestock sales facility
- private insurance documents
- processing plant receipt.

At a minimum, verifiable documentation must have:

- livestock kind, type, and weight
- the price for which the animal was sold.

***--Note:** See Exhibits 7, 8, and 9 for examples on reviewing producer applications and supporting documents.--*

26 Required Documentation for Livestock Death and Injury (Continued)

* * *

C Third Party Certifications for Proof of Death

--If a participant is unable to provide acceptable records as proof of death or injury, according to subparagraph A, the participant must use a third-party certification as proof of death or injury in conjunction with acceptable beginning inventory.--

County Office and COC general knowledge of adverse weather or other factors (such as the degree to which predators are or were present) in the area are **not** acceptable as third-party certification under any circumstance.

CED will provide a written monthly report to DD indicating the number of third-party certifications reviewed and approved/disapproved.

Third party certification of livestock deaths or injury may be accepted **only when all** of the following are met:

- **livestock owner or contract grower**, as applicable, completes CCC-854 according to paragraph 27 and certifies to **all** of the following:
 - no other form of proof of death or injury is available
 - number of livestock, by category, in inventory when the deaths or injury occurred

26 Required Documentation for Livestock Death and Injury (Continued)

C Third Party Certifications for Proof of Death (Continued)

- physical location of livestock, by category, in inventory when the deaths or injury occurred
- provides acceptable documentation that supports the reasonableness of the number of livestock in inventory when the deaths or injury occurred, as certified by participant according to paragraph 27

Important: See subparagraph 28 A for acceptable documentation of beginning inventory required when a third-party certification is provided.

- **third party** completes and certifies on CCC-854 according to paragraph 27 to **all** of the following:
 - specific details about how the third party has knowledge of the animal deaths or injury.
- the relationship or affiliation (if any) of the third party to the applicant

Note: The third party must be an independent source who is **not affiliated** with the farming operation. For instance, a third party cannot be a hired hand or a
 *--“family member” defined as a person who is a member in the farming--
 * operation or their spouse is related as lineal ancestor, lineal descendant, sibling, or spouse.

- telephone number and address of the third party
 - number and kind/type and weight range of participant’s livestock that died or were injured because of the eligible adverse weather event
- any other details necessary for COC and DD to determine that the certification is acceptable.

Note: Although persons signing statements as third parties are not applicants, they are subject to examination by agency or other Government officials regarding the accuracy of their certifications. Third parties are expected to certify only to what they know to be factually true based on their own observation.

28 Required Livestock Beginning Inventory Documentation (Continued)**C Determining Livestock Beginning Inventory History for Unweaned Livestock**

If a livestock operation does not have acceptable beginning inventory records for unweaned livestock, the COC may determine beginning inventory according to this subparagraph.

Important: This subparagraph only applies to determining livestock beginning inventory history for unweaned livestock.

*--The livestock operation is required to provide acceptable beginning livestock inventory records for the adult livestock or unweaned livestock for prior years to determine the unweaned approved Calendar Year Livestock Beginning Inventory History. Livestock inventory reports must provide:

- an accurate account of adult or unweaned livestock beginning inventory for the livestock type/kind for the respective year--*
- be supported by written records such as but not limited to:
 - docking records
 - sales receipts
 - shearing records
 - shipping records
 - bank records
 - veterinarian records
 - IRS records
 - other records approved by COC.

28 Required Livestock Beginning Inventory Documentation (Continued)

C Determining Livestock Beginning Inventory History for Unweaned Livestock (Continued)

--When determining LBIH, livestock inventory reports may require adjustment by COC, not to exceed normal mortality, for when loss occurs at different points during the growing season. For example, inventories from docking may need little to no adjustment, but sales records at the end of the growing season may require an adjustment to account for a full year of normal mortality. The livestock operation must certify to the accuracy of the information.--

The livestock operation is solely responsible for the timely submission and certification of accurate, complete livestock beginning inventory to the County FSA Office. Livestock beginning inventory records must be provided for all livestock type/kind. Records may be requested by the applicable COC and/or STC, on behalf of FSA. The livestock operation must provide such records upon request.

Livestock inventory reports must be submitted to the County Office by the applicable signup deadlines provided in paragraph 21.

*--COC will determine if the adult or unweaned livestock beginning inventory records for prior years are acceptable and calculate the Approved Livestock Beginning Inventory History for unweaned livestock using CCC-856 according to paragraph 29.

The approved LBIH is calculated using the transitional livestock beginning inventory history from adult livestock inventory or acceptable unweaned livestock inventory for up to the 4 prior years and will be updated each subsequent inventory year.--*

The transitional livestock beginning inventory history may:

- contain a maximum of the 4 most recent calendar years
- include actual and transitional livestock beginning inventories
- *--will only be used when acceptable unweaned livestock inventory records are not available for the current program year.

Appropriate adjustments to LBIH may be made to account for variations in stocking levels--* for unweaned livestock during the period covered by the history.

28 Required Livestock Beginning Inventory Documentation (Continued)**C Determining Livestock Beginning Inventory History for Unweaned Livestock (Continued)**

*--If acceptable unweaned livestock beginning inventory records are **not** available for unweaned livestock, calculate the 4 livestock beginning inventory histories for each year by multiplying the Transitional Livestock Beginning Inventory History (TLBIH) by 65 percent for each of the last 4 years. The TLBIH is calculated by multiplying the approved birthing rate/drop rate percentage for the adult livestock in the operation times the applicable adult livestock inventory.

If acceptable unweaned livestock beginning inventory records are provided for only 1 of the most recent 4 calendar years, calculate the 3 livestock beginning inventory histories by multiplying the TLBIH by 80 percent for each of the last 4 years without acceptable unweaned livestock inventory records. The TLBIH is calculated by multiplying the approved birthing rate/drop rate percentage for the livestock operation times the applicable adult livestock inventory.

If acceptable unweaned livestock beginning inventory records are provided for only 2 of the most recent 4 calendar years, calculate the 2 transitional livestock beginning inventory histories for each year by multiplying the TLBIH by 90 percent for each of the last 4 years without acceptable unweaned livestock inventory records. The TLBIH is calculated by multiplying the approved birthing rate/drop rate percentage for the livestock operation times the applicable adult livestock inventory.

If acceptable unweaned livestock beginning inventory records are provided for only 3 of the most recent 4 calendar years, calculate the 1 transitional livestock beginning inventory histories or LBIH for each year by multiplying the TLBIH by 100 percent for each of the last 4 years without acceptable unweaned livestock inventory records. The TLBIH is calculated by multiplying the approved birthing rate/drop rate percentage for the livestock operation times the applicable adult livestock inventory.

If acceptable unweaned livestock beginning inventory history records containing information for 4 of the most recent calendar years are provided, calculate the approved LBIH by--* taking a simple average of the actual livestock beginning inventory histories.

29 CCC-856, Livestock Beginning Inventory History for Unweaned Livestock

A Completing CCC-856

Complete CCC-856 according to the following table for livestock operations for unweaned livestock, when the livestock operation does not provide acceptable beginning inventory according to subparagraphs 28 A or B.

***--Note:** When the livestock producer does not have acceptable beginning inventory documentation for unweaned livestock for the program year losses occurred, the producer must provide acceptable beginning inventory documentation--* for adult livestock for any of the 4 preceding years. If this information is not provided, CCC-856 **cannot** be used.

| Item | Instruction |
|--|--|
| 1 | Enter State and County FSA Office Name. This is the service center State and county responsible for the physical location county where the livestock deaths or injuries occurred. |
| 2 | Enter the calendar year the livestock deaths occurred. Note: If the deaths occurred in 2 different calendar years as a result of the same eligible loss condition, a separate CCC-856 must be filed for each calendar year. |
| 3 | Enter farm numbers of physical location where livestock are located. |
| Part A – Producer Information | |
| 4 | Enter livestock producer’s name/operation name. |
| Part B – Adult Livestock Beginning Inventory (LBI) Report | |
| <p>*--Complete this section only if the producer does not have all 4 years of acceptable inventory documentation for unweaned livestock. The producer will provide the “Adult Livestock Beginning Inventory” (LBI) for any of the 4 calendar years preceding the calendar year in item 2. If user has acceptable unweaned livestock beginning inventory for any 4 calendar years preceding the calendar year in item 2, go to Part C for the year in which the producer has acceptable unweaned livestock beginning inventory records.--*</p> | |
| 5 | Enter the 4 preceding calendar years prior to the calendar year entered in item 2. |
| 6 | Enter livestock kind/type of “adult livestock”. |
| 7 | <p>*--Enter the livestock beginning inventory (LBI) for the adult livestock based on the acceptable documentation provided for each of the calendar years entered in item 5 for which user does not have acceptable unweaned livestock beginning inventory.</p> <p>Note: Any year that the record is an acceptable unweaned livestock beginning inventory record, it should be entered in Part C, item 14.--*</p> |
| 8 | Enter the applicable birthing rate percentage (90% for cows, 165% for nannies and 160% for ewes) for the kind/type of livestock entered in item 6. |

29 CCC-856, Livestock Beginning Inventory History for Unweaned Livestock (Continued)

A Completing CCC-856 (Continued)

| Item | Instruction |
|---|---|
| 9 | Enter the transitional livestock beginning inventory history (TLBIH) calculated by multiplying item 7 times item 8. Round to the nearest whole number (use normal rounding procedures) for each applicable calendar year *--for which no records were provided for unweaned livestock beginning--* inventory. |
| Part C –Livestock Beginning Inventory History Calculations | |
| *--Use up to 4 preceding years acceptable records. | |
| 10 | Enter 4 preceding calendar years from calendar year item 2. |
| 11 | Enter the amount from item 9 for each calendar year which acceptable records for unweaned livestock were not provided. |
| 12 | Enter Transitional Percent of LBIH based on the number of years acceptable records were provided for unweaned livestock inventory. The percentages are provided in Part C on the form. |
| 13 | Enter result of item 11 times item 12 for each calendar year the producer did not have acceptable unweaned livestock inventory records entered in Item 14 (user will either have item 13 or 14. Note: The user will either have item 13 or 14, not both. |
| 14 | Enter acceptable unweaned livestock inventory records for each year the producer provided an acceptable inventory record. Note: If an entry is made in item 14, then item 13 will be blank.--* |
| 15 | Enter the result of either item 13 or item 14 for each calendar year. |
| Part D – Approved Livestock Beginning Inventory History (LBIH) For Current Calendar Year | |
| 16 | Enter the total sum of item 15. |
| 17 | *--Enter the number of calendar years in item 10 with LBIH's. |
| 18 | Enter result of dividing item 16 by item 17.--* |
| Part E – Producer Certification Statement | |
| 19A | Producer signature. |
| 19B | Enter title/relationship of individual signing in the representative capacity. |
| 19C | Enter date of producer signature. |
| Part F – County Committee Determination | |
| 20 | COC or designee will sign. |
| 21 | Enter date of COC or designee signature. |
| 22 | Check approved or disapproved based on COC determination. |

29 CCC-856, Livestock Beginning Inventory History for Unweaned Livestock (Continued)

B Scenario for CCC-856

Ruby Red Livestock lost lambs because an eligible adverse weather event in March 2019. Ruby Red Livestock does not have any lamb livestock beginning inventory records. Ruby Red Livestock goes to White Pine County Nevada FSA Office on April 15, 2019, to complete a 2019 calendar year CCC-856.

*--Ruby Red Livestock's provides the following acceptable livestock beginning inventory ewe records to White Pine County for the following calendar years:

| <u>Calendar Year</u> | <u>Acceptable Beginning--* Inventory of Ewes</u> |
|----------------------|--|
| 2018 | 1,195 |
| 2017 | 1,175 |
| 2016 | 1,156 |
| 2015 | 1,010 |

TLBIH for each calendar year 2018 to 2015 was calculated by the County Office as follows.

Applicable Calendar Year Ewe * * * Livestock Beginning Inventory x Ewe Drop Rate (160%) = Calf/Lamb TLBIH for the Applicable Calendar Year (Item 9)

- 2018 – 1195 ewes x 160% = 1912 TLBIH lambs
- 2017 – 1175 ewes x 160% = 1880 TLBIH lambs
- 2016 – 1156 ewes x 160% = 1850 TLBIH lambs
- 2015 – 1010 ewes x 160% = 1616 TLBIH lambs.

51 Notice of Loss (Continued)**B Late-Filed Notice of Loss and Application – Equitable Relief**

*--Winter storms, blizzard and/or multiple winter storms or blizzards occurring over the winter months can result in the exact number of livestock losses not being fully realized until after the LIP application deadline. To account for losses discovered after the program deadline because of a winter storm and/or blizzard that occurred at the end of a program year, the producer must file or revise their application after the program deadline. This results in the application being late filed and current policy requires programmatic relief to be requested and approved from DAFP for the application to be approved.

DAFP has granted authority to STC's to provide equitable relief and approve late-filed LIP notices of loss and applications because of winter storm and/or blizzards losses not discovered until after the program deadline when a winter storm and/or blizzards occurs at the end of the program year. All late-filed applications must meet equitable relief requirements to be approved. Late-filed applications that do not meet equitable relief requirements must be disapproved. STC's must thoroughly document their actions in the STC minutes and inform County Offices of the determination. The County Office will notify the producer and provide applicable appeal rights for disapproved applications. This authority does not apply to any other eligible loss event.--*

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52 Acting on Notice of Loss

A Approving Notice of Loss – 2019 and Subsequent Years

COC must act on all completed and signed CCC-852, Parts A and B, Notice of Loss, submitted. Notice of Loss, as certified by the participant must be approved or disapproved.

When acting on the notice of loss, COC must determine if the:

- cause of loss is an eligible loss condition
- notice of loss is timely filed.

The notice of loss must be acted on by COC in the service center responsible for the physical location county where the injury or death loss occurred.

If COC approves CCC-852, Parts A and B, Notice of Loss, as certified by the participant and the participant has completed all other parts of CCC-852 and filed the application:

- notify the participant of approval
- thoroughly document the reasons for approving the notice of loss in the COC minutes.

***--Note:** See Exhibit 10 for the best management practices for reviewing LIP notice of losses.--*

54 Acting on Application for Payment CCC-852 (Continued)

C Verifying Data With Other Agencies, Organizations, or Facilities

When contacting agencies, organizations, or facilities to verify data provided by a participant or third party, the County Office must be clear regarding the information requested. The request will include, but is not limited to, the following:

- participant's name
- explanation of the representation the participant made about the agency, organization, or facility that FSA is attempting to verify as accurate
- animal kind and type
- information that is being requested.

***--D DD Review of Initial CCC-852's**

DD's must review the first five CCC-852's submitted in each Service Center each calendar year before approval of applications. The review must include the following:

- ensuring that CCC-852's are submitted by participant County Office
- verifiable signature requirements, including power of attorney, are met
- acceptable proof of death and/or injury is provided along with acceptable beginning inventory records, according to paragraph 26, when applicable
- third party certifications, if applicable, meet all requirements according to paragraph 27, with verifiable beginning inventory records
- veterinarian certifications, if applicable, meet all the requirements of paragraph 23
- livestock beginning inventory history for unweaned livestock, if applicable, meet all requirements according to paragraph 29
- the completed LIP Documentation Reconciliation Worksheet
- no State or County Office developed forms, worksheets, applications, or other documents are being used to obtain or collect the data required from participants--*

54 Acting on Application for Payment CCC-852 (Continued)

***--D DD Review of Initial CCC-852's (Continued)**

- supporting data required for payment eligibility is properly completed and on file before a payment is issued; such as CCC-902, CCC-901, CCC-941, AD-1026, and accurate subsidiary and MIDAS Business Partner data
- reviewing the completed CCC-770 LIP Checklist and use the form as a guide during the review process.

Note: DD's must document review on CCC-770-LIP for each CCC-852.

The DD review of the initial CCC-852's and supporting documentation submitted is critical to ensuring LIP is being administered according to the procedures provided in this handbook and the regulations in 7 CFR Part 1416, Subparts A and D.

Reviewing the initial CCC-852's and supporting documentation in a timely manner:

- identifies possible weaknesses in the administration of LIP that may be resolved by additional training, clarified procedures, or modified software
- prevents numerous participants from being impacted by erroneous LIP administration of the program
- allows corrections to be made in a timely manner before erroneous payments are issued.

DD's must provide a written report to SED's describing the LIP application review findings, including a list of errors discovered, and the overall status of the implementation of LIP in the County Office.

FSA's reporting mechanism for program year 2023 and subsequent years is easily accessible and provides the information needed for the required reviews. The reporting mechanism uses SharePoint which allows SED's, DD's, Safety Net Division (SND), and DAFP to review the progress and results of the required reporting. It also allows SND to use the information to provide internal review reporting.

A questionnaire on the Internal Control Reviews SharePoint site must be completed by DD's or delegated official. This questionnaire includes standardized questions for DD's to provide data that allows SED's and SND to collect needed information for the State and national internal reviews. This information also provides SED's with the required information to qualify as a written report from DD's to meet the LIP review requirements.

Note: The questionnaire should be submitted once all applicable required LIP reviews for each Service Center are completed.--*

54 Acting on Application for Payment CCC-852 (Continued)***--D DD Review of Initial CCC-852's (Continued)**

All reviews must be completed and recorded on the SharePoint site by April 1 after each program year deadline. The National Office will review reports of all DD reviews completed. These reviews will allow the National Office to do the following:

- identify common findings
- provide a process to review LIP policy
- assist the State Offices with addressing common findings in their State, including steps to reduce errors.

E Accessing and Using the Internal Control Reviews SharePoint Site

The Internal Control Reviews SharePoint for required reporting is located at:
https://usdagcc.sharepoint.com/sites/fsa-dafp/Internal_Control_Reviews?e=1%3A020f17a56ff1425a9791d6167bcb2f21

Note: County Office employees will not have access to this SharePoint site.

The Internal Control Reviews SharePoint site contains the following links:

- Program Contacts
- DD Program Review Questionnaire
- DD Program Review Reports.

The DD Program Review Questionnaire will be used for all applicable programs that include DD review requirements. Standardized questions will display for each program. Any findings should be reported to the selected programs.

Once all the required reviews are complete for the Service Center, the reviews must be loaded into the Internal Control Reviews SharePoint site before approval.--*

55 Livestock Units

A CCC-852, Notice of Loss and Application for Payment

CCC-852 must be filed by livestock units. A notice of loss (CCC-852, Parts A and B) must be filed separately for each livestock unit by physical location county where the livestock losses occurred. However, an application for payment (CCC-852, Parts D-J) must be filed, by physical location, for all livestock units that suffered livestock losses in the calendar year.

Example: Mary Moore suffered livestock losses physically located in County B. Mary Moore has the following interest and relationships in physical location County B:

- 100 percent interest as owner in 250 adult beef cows (livestock unit 100) – 5 adult beef cows died due to winter storm on February 1
- 50/50 percent interest as owner in 200 adult beef cows with operator, John Dole (livestock unit 200) – 3 adult beef cows died due to winter storm on February 1

The following notices of loss (CCC-852, Parts A and B) must be filed with the service center responsible for County B:

- livestock unit 100 for Mary Moore for livestock losses due to winter storm
- livestock unit 200 for Mary Moore and John Dole for livestock losses due to winter storm

Important: Only one notice of loss must be filed for livestock unit 200 for both Mary Moore and John Dole; however, the County Office must load the notice of loss data in the LIP application software for both Mary Moore and John Dole separately.

The following applications for payment (CCC-852, Parts D-J) must be filed with the service center responsible for County B:

- Mary Moore, for 100 percent interest in livestock unit 100 and 50 percent interest in livestock unit 200
- John Dole, for 50 percent interest in livestock unit 200.