

Montana FSA: USDA to Provide Payments to Livestock Producers Impacted by Drought or Wildfire?

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New Emergency Livestock Relief benefits to be delivered through two-phased approach; compensation for 2021 forage losses

WASHINGTON, March 31, 2022 – The U.S Department of Agriculture (USDA) today announced that ranchers who have approved applications through the 2021 Livestock Forage Disaster Program (LFP) for forage losses due to severe drought or wildfire in 2021 will soon begin receiving emergency relief payments for increases in supplemental feed costs in 2021 through the Farm Service Agency’s (FSA) new [Emergency Livestock Relief Program \(ELRP\)](#).

“Producers of grazing livestock experienced catastrophic losses of available forage as well as higher costs for supplemental feed in 2021. Unfortunately, the conditions driving these losses have not improved for many and have even worsened for some, as drought spreads across the U.S.,” said Agriculture Secretary Tom Vilsack. “In order to deliver much-needed assistance as efficiently as possible, phase one of the ELRP will use certain data from the Livestock Forage Disaster Program (LFP), allowing USDA to distribute payments within days to livestock producers.”

Background?

On September 30, 2021, President Biden signed into law the *Extending Government Funding and Delivering Emergency Assistance Act* (P.L. 117-43). This Act includes \$10 billion in assistance to agricultural producers impacted by wildfires, droughts, hurricanes, winter storms and other eligible disasters experienced during calendar years 2020 and 2021. Additionally, the Act specifically targets \$750 million to provide assistance to livestock producers for losses incurred due to drought or wildfires in calendar year 2021. ELRP is part of FSA’s implementation of the Act.

For impacted ranchers, USDA will leverage LFP data to deliver immediate relief for increases in supplemental feed costs in 2021. LFP is an important tool that provides up to 60% of the estimated replacement feed cost when an eligible drought adversely impacts grazing lands or 50% of the

monthly feed cost for the number of days the producer is prohibited from grazing the managed rangeland because of a qualifying wildfire.

FSA received more than 100,000 applications totaling nearly \$670 million in payments to livestock producers under LFP for the 2021 program year.

Congress recognized requests for assistance beyond this existing program and provided specific funding for disaster-impacted livestock producers in 2021.

ELRP Eligibility – Phase One

To be eligible for an ELRP payment under phase one of program delivery, livestock producers must have suffered grazing losses in a county rated by the U.S. Drought Monitor as having a D2 (severe drought) for eight consecutive weeks or a D3 (extreme drought) or higher level of drought intensity during the 2021 calendar year, and have applied and been approved for 2021 LFP. Additionally, producers whose permitted grazing on federally managed lands was disallowed due to wildfire are also eligible for ELRP payments, if they applied and were approved for 2021 LFP.

As part of FSA's efforts to streamline and simplify the delivery of ELRP phase one benefits, producers are not required to submit an application for payment; however, they must have the following forms on file with FSA within a subsequently announced deadline as determined by the Deputy Administrator for Farm Programs:?

- CCC-853, *Livestock Forage Disaster Program Application?*
- Form AD-2047, *Customer Data Worksheet?*
- Form CCC-902, *Farm Operating Plan* for an individual or legal entity.??
- Form CCC-901, *Member Information for Legal Entities* (if applicable).??
- Form FSA-510, *Request for an Exception to the \$125,000 Payment Limitation for Certain Programs* (if applicable).
- Form CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, if applicable, for the 2021 program year.?
- A highly erodible land conservation (sometimes referred to as HELC) and wetland conservation certification (Form AD-1026 *Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification*) for the ELRP producer and applicable affiliates.?

ELRP Payment Calculation – Phase One

To further expedite payments to eligible livestock producers, determine eligibility, and calculate an ELRP phase one payment, FSA will utilize livestock inventories and drought-affected forage acreage or restricted animal units and grazing days due to wildfire already reported by the producer when they submitted a 2021 CCC-853, *Livestock Forage Disaster Program Application* form.?

Phase one ELRP payments will be equal to the eligible livestock producer's gross 2021 LFP calculated payment multiplied by a payment percentage, to reach a reasonable approximation of increased supplemental feed costs for eligible livestock producers in 2021.

The ELRP payment percentage will be 90% for historically underserved producers, including beginning, limited resource, and veteran farmers and ranchers, and 75% for all other producers.? These payments will be subject to a payment limitation.

To qualify for the higher payment percentage, eligible producers must have a CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, form on file with FSA for the 2021 program year.???

Payments to eligible producers through phase one of ELRP are estimated to total more than \$577 million.?

ELRP - Phase Two

Today's announcement is only Phase One of relief for livestock producers.? FSA continues to evaluate and identify impacts of 2021 drought and wildfire on livestock producers to ensure equitable and inclusive distribution of much-needed emergency relief program benefits.

Emergency Relief Program (ERP) Assistance for Crop Producers

FSA is developing a two-phased process to provide assistance to diversified, row crop and specialty crop operations that were impacted by an eligible natural disaster event in calendar years 2020 or 2021.

This program will provide assistance to crop producers and will follow a two-phased process similar to that of the livestock assistance with implementation of the first phase in the coming weeks. Phase one of the crop assistance program delivery will leverage existing [Federal Crop Insurance](#) or [Noninsured Crop Disaster Assistance Program](#) data as the basis for calculating initial payments.

Making the initial payments using existing safety net and risk management data will both speed implementation and further encourage participation in these permanent programs, including the Pasture, Rangeland, Forage Rainfall Index Crop Insurance Program, as Congress intended.

The second phase of the crop program will be intended to fill additional assistance gaps and cover eligible producers who did not participate in existing risk management programs.

Through proactive communication and outreach, USDA will keep producers and stakeholders informed as ERP implementation details are made available.

Additional Livestock Drought Assistance

Due to the persistent drought conditions in the Great Plains and West, FSA will be offering additional relief through the [Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program \(ELAP\)](#) to help ranchers cover above normal costs of hauling livestock to forage. This policy enhancement complements previously announced ELAP compensation for hauling feed to livestock. Soon after FSA announced the assistance for hauling feed to livestock, stakeholders were quick to point out that producers also were hauling the livestock to the feed source as well and encouraged this additional flexibility.

It is important to note that, unlike ELRP emergency relief benefits which are only applicable for eligible losses incurred in the 2021 calendar year, this ELAP livestock and feed hauling compensation will not only be retroactive for 2021 but will also be available for losses in 2022 and subsequent years.

To calculate ELAP program benefits, an [online tool](#) is currently available to help producers document and estimate payments to cover feed transportation cost increases caused by drought and will soon be updated to assist producers with calculations associated with drought related costs incurred for hauling livestock to forage.

More Information

Additional USDA disaster assistance information can be found on [farmers.gov](#), including USDA resources specifically for producer impacted by [drought](#) and [wildfire](#) and the [Disaster Assistance Discovery Tool](#), [Disaster-at-a-Glance fact sheet](#), and [Farm Loan Discovery Tool](#). For FSA and Natural Resources Conservation Service programs, producers should contact their local [USDA Service Center](#). For assistance with a crop insurance claim, producers and landowners should contact their [crop insurance agent](#).

USDA touches the lives of all Americans each day in so many positive ways. Under the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the

Department by removing systemic barriers and building a workforce more representative of America.
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