FACT SHEET

July 2018



## Farm Service Agency LFP

# Livestock Forage Disaster Program

## **Overview**

The 2014 Farm Bill authorized the Livestock Forage Disaster Program (LFP) to provide compensation to eligible livestock producers who have suffered grazing losses for covered livestock on land that is native or improved pastureland with permanent vegetative cover or is planted specifically for grazing. The grazing losses must be due to a qualifying drought condition during the normal grazing period for the county.

Also, LFP provides compensation to eligible livestock producers who have suffered grazing losses on rangeland managed by a federal agency if the eligible livestock producer is prohibited by the federal agency from grazing the normal permitted livestock on the managed rangeland due to a qualifying fire.

The grazing losses must have occurred on or after Oct. 1, 2011.

LFP is administered by the Farm Service Agency (FSA) of the U.S. Department of Agriculture (USDA).



## **Eligible Counties for Drought**

An eligible livestock producer who owns or leases grazing land or pastureland physically located in a county rated by the U.S. Drought Monitor as having a:

- **D2 (severe drought)** intensity in any area of the county for at least eight consecutive weeks during the normal grazing period is eligible to receive assistance in an amount equal to one monthly payment;
- **D3 (extreme drought)** intensity in any area of the county at any time during the normal grazing period is eligible to receive assistance in an amount equal to three monthly payments;
- **D3 (extreme drought)** intensity in any area of the county for at least four weeks during the normal grazing period or is rated a D4 (exceptional drought) intensity at any time during the normal grazing period is eligible to receive assistance in an amount equal to four monthly payments; or
- **D4 (exceptional drought)** in a county for four weeks (not necessarily four consecutive weeks) during the normal grazing period is eligible to receive assistance in an amount equal to five monthly payments.

A map of eligible counties for LFP drought may be found at http://www.fsa.usda.gov/programs-and-services/ disaster-assistance-program/livestock-forage/index.

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### **Eligible Livestock**

Eligible livestock types under LFP include alpacas, beef cattle, buffalo/bison, beefalo, dairy cattle, deer, elk, emus, equine, goats, llamas, reindeer or sheep that have been or would have been grazing the eligible grazing land or pastureland:

- During the normal grazing period for the specific type of grazing land or pastureland for the county; or
- When the federal agency excluded the livestock producer from grazing the normally permitted livestock on the managed rangeland due to fire.

## **Eligible livestock must:**

- Have been owned, purchased or entered into a contract to purchase during the 60 days prior to the beginning date of a qualifying drought or fire condition;
- Have been held by a contract grower or sold or otherwise disposed of due to a qualifying drought condition during the current production year or one or both of the two production years immediately preceding the current production year;
- Have been maintained for commercial use as part of a farming operation on the beginning date of the eligible drought or fire condition;
- Not have been produced and maintained for reasons other than commercial use as part of a farming operation (such excluded uses include, but are not limited to, wild free-roaming animals or animals used for recreational purposes such as pleasure, hunting, pets, roping or for show); and
- Not have been livestock that were or would have been in a feedlot on the beginning date of the qualifying drought or fire as part of the normal business operation of the producer.

#### **Eligible Producers**

To be eligible for LFP, producers must:

- Own, cash or share lease, or be a contract grower of covered livestock during the 60 calendar days before the beginning date of a qualifying drought or fire;
- Provide pastureland or grazing land for covered livestock, including cash-rented pastureland or grazing land that is either:
  - Physically located in a county affected by a qualifying drought during the normal grazing period for the county; or
  - Rangeland managed by a federal agency for which the otherwise eligible livestock producer is prohibited by the federal agency from grazing the normally permitted livestock because of a qualifying fire.
- Certify that they have suffered a grazing loss because of a qualifying drought or fire; and
- Timely file an acreage report for all grazing land for which a loss of grazing is being claimed.

#### **Payments**

FSA will calculate LFP payments for an eligible livestock producer for grazing losses because of a qualifying drought equal to one, three, four or five times the LFP monthly payment rate. The LFP monthly payment rate for drought is equal to 60 percent of the lesser of either the monthly feed cost:

- For all covered livestock owned or leased by the eligible livestock producer; or
- Calculated by using the normal carrying capacity of the eligible grazing land of the eligible livestock producer.

Total LFP payments to an eligible livestock producer in a calendar year for grazing losses will not exceed five monthly payments for the same livestock.

In the case of an eligible livestock producer who sold or otherwise disposed of livestock because of drought conditions in one or both of the two previous production years immediately preceding the current production year,

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the payment rate will equal 80 percent of the monthly payment rate.

FSA will calculate LFP payments for eligible livestock producers for losses suffered because of a qualifying fire on federally managed rangeland for which the producer is prohibited from grazing the normally permitted livestock. The payment begins on the first day the permitted livestock are prohibited from grazing the eligible rangeland and ending on the earlier of the last day of the federal lease of the eligible livestock producer or the day that would make the period a 180 calendar-day period. The payment rate is 50 percent of the monthly feed cost for the number of days the producer is prohibited from grazing the managed rangeland because of a qualifying fire, not to exceed 180 calendar days.

## **Payment Limitation**

The Bipartisan Budget Act removed Livestock Indemnity Program (LIP) from the combined \$125,000 payment limitation under Emergency Livestock Assistance Program (ELAP), LFP and LIP. Therefore, for 2017 and subsequent program years, no person or legal entity, excluding a joint venture or general partnership, may receive, directly or indirectly, more that 125,000 total in payments under ELAP and LFP. The average adjusted gross income (AGI) limitation relating to limits on payments for persons or legal entities, excluding joint ventures and general partnerships, with certain levels of average AGI will apply. Specifically, a person or legal entity with an average AGI (as defined in 7 CFR Part 1400) that exceeds \$900,000 will not be eligible to receive LFP payments.

Direct attribution provisions also apply to LFP. Under direct attribution, any payment to a legal entity will also be considered for payment limitation purposes to be a payment to persons or legal entities with an interest in the legal entity or in a sub-entity. To learn more, visit the Payment Eligibility and Payment Limitations fact sheet at www.fsa.usda.gov/payment-limitations.

#### Enrollment

For 2015 and subsequent calendar years, producers must provide a completed application for payment and required supporting documentation to their FSA office within 30 calendar days after the end of the calendar year in which the grazing loss occurred.

The producer should include a copy of the grower contract if the producer is a contract grower and any other supporting documents required for determining eligibility. Supporting documents must show evidence of loss, current physical location of livestock in inventory, evidence that grazing land or pastureland is owned or leased and evidence that if the loss of grazing was due to a fire that the producer was prohibited by the federal agency from grazing the normal permitted livestock on the managed rangeland due to a fire.

FSA will use data provided by the applicant to determine eligibility for program benefits. Providing the data is voluntary; however, without all required data, program benefits will not be approved or provided.

## **For More Information**

This fact sheet is for informational purposes only; other eligibility requirements or restrictions may apply. To find more information about FSA disaster assistance programs, visit **http://disaster.fsa.usda.gov** or contact your local FSA office. To find your local FSA office, visit **http://offices.usda.gov**.



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The following table provides the monthly feed cost payment rate per head by covered livestock category:

LIVESTOCK PAYMENT RATES										
-			PAYMENT RATE PER HEAD							
KIND	ТҮРЕ	WEIGHT RANGE	2011	2012	2013	2014	2015	2016	2017	2018
Beef	Adult	Bulls, Cows	\$34.57	\$51.81	\$57.27	\$52.56	\$40.79	\$32.36	\$30.00	\$28.07
	Non-Adult	500 pounds or more	\$25.93	\$38.86	\$42.96	\$39.42	\$30.59	\$24.27	\$22.50	\$21.05
Dairy	Adult	Bulls, Cows	\$89.89	\$134.71	\$148.90	\$136.66	\$106.05	\$84.14	\$78.00	\$72.98
	Non-Adult	500 pounds or more	\$25.93	\$38.86	\$42.96	\$39.42	\$30.59	\$24.27	\$22.50	\$21.05
Beefalo	Adult	Bulls, Cows	\$34.57	\$51.81	\$57.27	\$52.56	\$40.79	\$32.36	\$30.00	\$28.07
	Non-Adult	500 pounds or more	\$25.93	\$38.86	\$42.96	\$39.42	\$30.59	\$24.27	\$22.50	\$21.05
Buffalo/Bison	Adult	Bulls, Cows							\$30.00	\$28.07
	Non-Adult	500 pounds or more							\$22.50	\$21.05
Sheep	All		\$8.64	\$12.96	\$14.32	\$13.14	\$10.20	\$8.09	\$7.50	\$7.02
Goats	All		\$8.64	\$12.96	\$14.32	\$13.14	\$10.20	\$8.09	\$7.50	\$7.02
Deer	All		\$8.64	\$12.96	\$14.32	\$13.14	\$10.20	\$8.09	\$7.50	\$7.02
Equine	All		\$25.58	\$38.34	\$42.38	\$38.90	\$30.18	\$23.95	\$22.20	\$20.77
Elk		Less than 400 pounds	\$7.61	\$11.40	\$12.60	\$11.58	\$8.98	\$7.12	\$6.60	\$6.18
		400 to 799 pounds	\$14.18	\$21.24	\$23.48	\$21.56	\$16.73	\$13.27	\$12.30	\$11.51 \$15.16
		800 pounds or more	\$18.67	\$27.98	\$30.93	\$28.39	\$22.03	\$17.47	\$16.20	\$15.16
Reindeer		All	\$7.61	\$11.40	\$12.60	\$11.58	\$8.98	\$7.12	\$6.60	\$6.18
Alpacas		All	\$28.48	\$42.68	\$47.18	\$43.30	\$33.60	\$26.65	\$24.71	\$23.12
Emus		All	\$17.69	\$26.52	\$29.31	\$26.90	\$20.87	\$16.56	\$15.36	\$14.37
Llamas		All	\$12.62	\$18.91	\$20.90	\$19.18	\$14.89	\$11.81	\$10.95	\$10.25

**Note:** The LFP monthly payment rate for losses because of a qualifying drought is calculated at 60 percent of the smaller of the monthly feed cost payment rate per head in the table above or the monthly feed cost based on the normal carrying capacity of the eligible grazing or pastureland acres.