

# 2014 Farm Bill

UNITED STATES DEPARTMENT OF AGRICULTURE

### **FARM SERVICE AGENCY**

## **FACT SHEET**

November 2014

# EMERGENCY ASSISTANCE FOR LIVESTOCK, HONEYBEES AND FARM-RAISED FISH PROGRAM (ELAP) - LIVESTOCK ASSISTANCE

#### Overview

The Agricultural Act of 2014 (the 2014 Farm Bill) authorized up to \$20 million of Commodity Credit Corporation (CCC) funds in a fiscal year (FY) for the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) to provide emergency assistance to eligible producers of livestock, honeybees and farm-raised fish. ELAP covers losses due to an eligible adverse weather or eligible loss condition, including blizzards, disease (including cattle tick fever), water shortages and wildfires, as determined by the Secretary, that occurs on or after Oct. 1, 2011.

ELAP covers losses that are not covered under other Supplemental Agricultural Disaster Assistance Payment programs established by the 2014 Farm Bill, specifically the Livestock Forage Disaster Program (LFP) and the Livestock Indemnity Program (LIP).

The ELAP program year begins Oct. 1 of the fiscal year and ends Sept. 30 of the fiscal year. (For example, the 2012 ELAP program year began Oct. 1, 2011, and ended Sept. 30, 2012).

There are four categories of livestock losses covered by ELAP:

- Livestock death losses caused by an eligible loss condition;
- Livestock feed and grazing losses that are not due to drought or wildfires on federally managed lands:
- Losses resulting from the additional cost of transporting water to livestock due to an eligible drought;
- Losses resulting from the additional cost associated with gathering livestock for treatment related to cattle tick fever.

Recipients of ELAP payments for 2012 and 2013 will receive pro-rated reduced payments because the number of applicants have exceeded available funds of \$20 million for each fiscal year.

- For 2012 losses, the payments will cover 90 percent of eligible losses occurring from Oct. 1, 2011 through Sept. 30, 2012
- For 2013 losses, the payments will cover 68 percent of eligible losses occurring from Oct. 1, 2012 through Sept. 30, 2013.

ELAP is administered by the Farm Service Agency (FSA) of the United States Department of Agriculture (USDA).

### **Livestock Death Losses**

### Eligible Livestock

To be eligible for livestock death losses, livestock must:

- For eligible livestock owners, be alpacas, adult or non-adult dairy cattle, beef cattle, beefalo, buffalo, deer, elk, emus, equine, goats, llamas, poultry, reindeer, sheep or swine;
- For eligible contract growers be poultry or swine;
- Be maintained for commercial use as part of a farming operation on the date of death;
- Have died:
  - As a direct result of an eligible loss condition occurring on or after Oct. 1, 2011;
  - ° On or after the beginning date of the eliegible loss condition;
  - No later than 60 calendar days from the ending date of the eligible loss condition.

Examples of ineligible livestock for livestock death losses include any uses of wild free roaming animals or use of animals for recreational purposes, such as pleasure, hunting, roping, pets or for show.

### Eligible Producer

Livestock owners must have legal ownership of the livestock on the day the livestock died. Livestock contract growers must have had:

- A written agreement with the owner of the eligible livestock;
- Control of the eligible livestock on the day the livestock died;
- A risk of loss in the livestock.

### Eligible Death Losses

Eligible livestock death losses must be:

- Incurred by an eligible livestock owner or contract grower;
- Due to an eligible loss condition occurring during the program year for which payment is requested and on or after Oct. 1, 2011;
- In excess of normal mortality.

FSA determines the eligible loss conditions for livestock death losses and these loss conditions cannot be covered under LIP.

### **Death Loss Payments**

Payments for eligible livestock death losses will be based on a national payment rate for each livestock category times the number of eligible livestock that died in each category in excess of normal mortality. The national payment rate for eligible livestock owners is based on a minimum of 75 percent of the average fair market value of the livestock. The national payment rate for eligible contract growers is based on a minimum of 75 percent of the average income loss sustained by the contract grower with respect to the dead livestock. USDA will reduce a contract grower's ELAP payment by the amount of monetary compensation they receive from their contractor for the loss of income suffered from the death of livestock under contract.

### **Livestock Feed and Grazing Losses**

### Eligible Livestock

For livestock feed and grazing losses, livestock must be:

- Alpacas, adult or non-adult dairy cattle, adult or non-adult beef cattle, adult or non-adult buffalo, adult or non-adult beefalo, deer, elk, emus, equine, goats, llamas, poultry, reindeer, sheep and swine;
- Livestock that would normally have been grazing the eligible grazing land or pastureland during the normal grazing period for the specific pasture type of grazing land or pastureland in the county where the eligible adverse weather or eligible loss condition occurred;
- Owned, cash-leased, purchased, under contract

- for purchase, or been raised by a contract grower or an eligible livestock producer, during the 60 calendar days prior to the beginning date of the eligible adverse weather or loss condition;
- Maintained for commercial use as part of the producer's farming operation on the beginning date of the eligible adverse weather or loss condition.

Livestock that were or would have been in a feedlot are not eligible for livestock feed and grazing losses under ELAP.

### Eligible Producer

For livestock grazing and feed losses, producers must have:

- During the 60 calendar days before the beginning date of the eligible adverse weather or loss condition, owned, cash-leased, purchased, entered into a contract to purchase or been a contract grower of eligible livestock;
- Suffered a loss on land that is either:
  - Native or improved pastureland with a permanent vegatative cover;
  - Planted to a crop specifically for the purpose of providing grazing for covered livestock.
- Provided pastureland or grazing land during the normal grazing period to eligible livestock, including cash-leased pastureland or grazing land for livestock that are physically located in the county where the eligible adverse weather or loss condition occurred during the normal grazing period.

### Eligible Adverse Weather or Loss Condition

Eligible adverse weather or loss conditions for livestock feed and grazing losses include, but are not limited to, blizzard, eligible winter storm, flood, hurricane, lightning, tidal surge, tornado, volcanic eruption, or wildfire on non-federal land. Drought and wildfire on federally managed land are not eligible adverse weather or loss conditions for livestock feed and grazing losses under ELAP. These conditions are covered by the LFP.

### **Eligible Grazing Losses**

Eligible grazing losses must be incurred on eligible grazing lands physically located in the county where the eligible adverse weather or loss condition

occurred and because of an eligible adverse weather or loss condition.

### Eligible Feed Losses

Eligible feed losses under ELAP are losses:

- Of purchased forage or feedstuffs;
- Of mechanically harvested forage or feedstuffs;
- Resulting from the additional costs incurred for transporting feed to eligible livestock because of an eligible adverse weather or loss condition;
- Resulting from the additional costs of purchasing additional feed, above normal quantities, required to maintain eligible livestock during an eligible adverse weather or loss condition, until additional livestock feed becomes available.

Eligible feed losses shall not exceed 150 days of lost feed.

### <u>Grazing Loss Payments, Excluding Wildfires on</u> Non-Federal Land

Payments for eligible grazing losses, except grazing losses due to wildfires on non-federal land, will be calculated based on a minimum of 60 percent of the lesser of the total value of:

- The feed cost for all covered livestock owned by the eligible livestock producer based on the number of grazing days lost, not to exceed 150 days of daily feed cost for all covered livestock;
- Grazing lost for eligible livestock based on the normal carrying capacity of the eligible grazing land of the eligible livestock producer for the number of grazing days lost, not to exceed 150 days of lost grazing.

### <u>Grazing Loss Payments For Wildfires on</u> Non-Federal Land

Payments for eligible livestock producers for losses suffered because of a wildfire on non-federal land will be calculated based on a minimum of 60 percent of:

- The result of dividing the number of acres of grazing land or pastureland acres affected by the wildfire by the normal carrying capacity of the specific type of eligible grazing land or pasture land, multiplied by;
- The daily value of grazing, multiplied by;

• The number of days grazing was lost due to the wildfire, not to exceed 180 calendar days.

### **Livestock Feed Payment Calculations**

Payment calculations for feed losses will be based on a minimum of 60 percent of the producer's actual cost for:

- Livestock feed that was purchased or mechanically harvested forage or feedstuffs intended for use as feed for the producer's eligible livestock that was physically damaged or destroyed due to an eligible adverse weather or loss condition;
- The additional costs incurred for transporting livestock feed to eligible livestock due to an eligible adverse weather or loss condition;
- The additional cost of purchasing additional livestock feed above normal to maintain the eligible livestock during an eligible adverse weather or loss condition until additional livestock feed becomes available.

FSA will calculate ELAP payments for an eligible livestock producer for livestock feed and grazing losses for no more than 150 calendar days.

# Losses Resulting From Additional Cost of Transporting Water

### Eligible Livestock

For losses resulting from the additional cost of transporting water, eligible livestock must be:

- Alpacas, adult or non-adult dairy cattle, adult or non-adult beef cattle, adult or non-adult buffalo, adult or non-adult beefalo, deer, elk, emus, equine, goats, llamas, poultry, reindeer, sheep and swine;
- Owned, cash-leased, purchased, under contract for purchase, or been raised by a contract grower or an eligible livestock producer, during the 60 calendar days prior to the beginning date of the eligible adverse weather or loss condition;
- Livestock that are grazing eligible pastureland or grazing land during the normal grazing period for the specific pasture type of grazing land or pasture land that:
  - Are physically located in the county where the eligible adverse weather or eligible loss condition occurred;
  - Had adequate livestock watering systems or facilities before the eligible adverse

- weather or eligible loss condition occurred;
- ° Do not normally require the transport of water by the producer.
- Livestock that are grazing eligible pastureland or grazing land during the normal grazing period for the specific pasture type of grazing land or pasture land that:
- Maintained for commercial use as part of the producer's farming operation on the beginning date of the eligible adverse weather or loss condition.

Livestock that were or would have been in a feedlot are not eligible for livestock losses resulting from transporting water under ELAP.

### Eligible Producer

For losses resulting from transporting water, producers must have during the 60 calendar days before the beginning date of the eligible adverse weather or loss condition, owned, cash-leased, purchased, entered into a contract to purchase or been a contract grower of eligible livestock.

### Eligible Adverse Weather or Loss Condition

Eligible adverse weather for losses resuting from the additional cost of transporting water to eligible livestock includes an eligible drought, meaning that any area of the county has been rated by the U.S. Drought Monitor as having a D3 (extreme drought) intensity that directly impacts water availability at any time during the normal grazing period.

### Eligible Losses from Transporting Water

Eligible losses due to the additional costs of transporting water under ELAP are losses that:

- Occur on or after Oct. 1, 2013;
- Are due to an eligible drought;
- Are for the additional cost of transporting water to eligible livestock including, but not limited to, costs associated with water transport equipment fees, labor, and contracted water transportation fees.
- Do not include the cost of the water itself.

### Payments for Losses from Transporting Water

Payments for losses due to transporting water will be based on a minimum of 60 percent of the lesser of:

- The total value of the cost to transport water to eligible livestock for 150 days, based on the daily water requirements for the eligible livestock, or
- The total value of the cost to transport water to eligible livestock for the program year, based on the actual number of gallons of water the eligible producer transported to eligible livestock for the program year.

The national average price per gallon to transport water is provided in the following table based on the method the producer uses to transport water for the applicable program year. A state or regional price may be established based on the recommendation and documentation by the FSA State Committee.

Method of Transporting Water	National Average Price per Gallon
Personal	\$0.035
labor/equipment	
Hired labor/rented	\$0.05
equipment	
Contracted water	\$0.07
transportation	

## Losses Related to Treatment for Cattle Tick Fever

### Eligible Livestock

For losses resulting from the additional cost to treat for cattle tick fever, eligible livestock must be:

- Alpacas, adult or non-adult dairy cattle, adult or non-adult beef cattle, adult or non-adult buffalo, adult or non-adult beefalo, deer, elk, emus, equine, goats, llamas, poultry, reindeer,
- Owned, cash-leased, purchased, under contract for purchase, or been raised by a contract grower or an eligible livestock producer, during the 60 calendar days prior to the beginning date of the eligible adverse weather or loss condition;
- Maintained for commercial use as part of the producer's farming operation on the beginning date of the eligible adverse weather or loss condition.

Livestock that were or would have been in a feedlot are not eligible for livestock losses resulting from the additional cost to treat for cattle tick fever under ELAP.

## Eligible Losses for Gathering Livestock to Treat for Cattle Tick Fever

Eligible losses include those losses resulting from the additional cost associated with gathering livestock to treat for cattle tick fever. To be considered an eligible loss, acceptable records that provide the number of livestock treated for cattle tick fever and the number of treatments given during the program year must be on file with the USDA Animal and Plant Health Inspection Service (APHIS).

### <u>Payments for Losses for Gathering Livestock to</u> Treat for Cattle Tick Fever

Payments for losses resulting from the additional cost associated with gathering livestock to treat for cattle tick fever will be equal to the sum of the following for each treatment:

- A minimum national payment factor of 60 percent, multiplied by;
- The number of eligible livestock treated by APHIS for cattle tick fever, multiplied by:
- The average cost to gather livestock, per head, as established by FSA.

### Socially Disadvantaged, Limited Resource and Beginning Farmers and Ranchers

Starting with the 2012 program year (Oct. 1, 2011), an eligible livestock producer who certifies they are socially disadvantaged, limited resource, or a beginning farmer or rancher, will have their payments for livestock losses under ELAP based on a national payment factor of 90 percent.

# Payment Eligibility and Limitations

### **Payment Limitation**

For 2012 and subsequent program years, no person or legal entity, excluding a joint venture or general partnership, may receive directly or indirectly, more

than \$125,000 total in payments under ELAP, LFP, and LIP combined. The average adjusted gross income (AGI) limitation 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 adjusted gross income (as defined in 7 CFR Part 1400) that exceeds \$900,000 will not be eligible to receive ELAP payments. Direct attribution provisions also apply to ELAP for 2012 and subsequent program years. 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.

### Multiple Benefits

If a producer is eligible to receive a livestock payment under ELAP, then all the following apply:

- The producer cannot receive duplicate payments under LFP or LIP for the same loss;
- Beginning with the 2014 program year, if the producer is eligible to receive assistance for the same loss under Catastrophic Risk Protection (CAT), or Noninsured Crop Disaster Assistance Program (NAP), then the producer must elect whether to receive benefits under ELAP or under the other program, but not both.

### Sign-Up

Producers can apply to receive ELAP benefits at local FSA service centers beginning April 15, 2014, for eligible livestock losses suffered during 2012, 2013 and 2014 program years (losses occurring on or after Oct. 1, 2011, through Sept. 30, 2014) due to eligible adverse weather or loss conditions. For 2012 and 2013 program year losses, sign-up ends Aug. 15, 2014, and for 2014 program year losses sign-up ended Nov. 1, 2014. For 2015 and subsequent program year losses, sign-up will end no later than Nov. 1 after the end of the program year in which the livestock loss occurred.

### **Applying for ELAP**

In addition to submitting an application for payment, producers who suffered livestock losses should submit a notice of loss to the local FSA office that maintains their farm records

The following table provides the final dates to file a notice of loss and application for payment for livestock losses.

Date of Livestock Loss	Final Date to File	Final Date to Submit an
	Notice of Loss	Application for Payment
Program Year 2012 & 2013	Aug. 15, 2014	Aug. 15, 2014
Program Year 2014	Nov. 1, 2014	Nov. 1, 2014
Program Year 2015 &	30 days after livestock loss is	Nov. 1 after the program year
Subsequent Program Years	apparent	in which the loss occurred.

The producer must include a copy of the grower contract if they are 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, and evidence that grazing land or pastureland is owned or leased.

Payments may be made for eligible losses suffered by an eligible participant who is now a deceased individual or is a dissolved entity if a representative, who currently has authority to act on behalf of the estate of the deceased participant, signs the application for payment. Proof of authority to sign for a deceased individual or dissolved entity must be provided. If a participant is now a dissolved general partnership or joint venture, all members of the general partnership or joint venture at the time of dissolution or their duly authorized representative(s) must sign the application for payment.

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

#### More Information

To find more information about FSA programs, contact your local FSA office or USDA Service Center, or visit FSA online at www.fsa.usda.gov

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