#### UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency Washington, DC 20250

Livestock Forage Disaster Program 1-LFP

Amendment 3

Approved by: Acting Deputy Administrator, Farm Programs

Bradley Karmen

#### **Amendment Transmittal**

#### **A** Reasons for Amendment

Subparagraphs 26 B and 26 D have been amended to clarify policy on irrigated acreage eligibility for LFP.

Subparagraph 56 C has been amended to update the daily AU feed rate, monthly forage value, and payment rates for 2021.

Subparagraphs 91 E and 91 F have been amended to update CCC-770 LFP and instructions.

	Page Control Chart	
ТС	Text	Exhibit
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#### 26 Eligible Grazing Land for LFP

#### A Overview

A grazing loss because of drought is eligible for LFP only if the grazing loss for the covered livestock occurs on land that, as of the date of the qualifying drought, is:

- native or improved pastureland with permanent vegetative cover
- planted to a crop planted specifically for the purpose of providing grazing for covered livestock, as reported on the producer's acreage report, including crops such as forage sorghum, small grains, annual planted ryegrass, or annual planted crabgrass
- grazing land or pastureland that is owned or leased by the eligible livestock producer that is physically located in a county that is affected by a qualifying drought during the normal grazing period for the specific type of grazing land or pastureland for the county.

A grazing loss because of fire qualifies for LFP only if:

- a grazing loss occurs on rangeland that is managed by a Federal agency
- the eligible livestock producer is prohibited by the Federal agency from grazing the normal permitted livestock on the federally managed rangeland because of a qualifying fire.

#### **B** Eligible Grazing Pastureland or Grazing Land for Grazing Losses Because of Drought

The eligible livestock producer must, as of the date of the qualifying drought, have risk in the pastureland or grazing land for covered livestock, that is Native and Improved Grasses, Mixed Forage, Small Grains, and Forage Sorghum crops reported with the intended use of grazing.

**Note:** Small Grain crops include:

- Barley
- Oats
- Rye
- Triticale
- Wheat.

#### 26 Eligible Grazing Land for LFP (Continued)

# **B** Eligible Grazing Pastureland or Grazing Land for Grazing Losses Because of Drought (Continued)

The following are eligible pastureland and grazing land for grazing losses because of drought:

- privately owned, cash or share leased pasture or rangeland that is used to provide grazing for covered livestock
- State and Federal lands, if either of the following apply:
  - the land is leased on a long-term basis that COC determines requires lessee contribution, including but **not** limited to wells, fences, or other maintenance and upkeep inputs
  - pasture or grazing land is leased for cash or fixed amount for an established grazing period
- previously irrigated grazing land that was **not** irrigated during the current production year because of lack of surface water due to a qualifying eligible drought condition
- \*--Notes: COC must determine, based on information provided by the producer, if the grazing land certified as irrigated was not irrigated during the current production year because of lack of surface water resulting from a qualifying drought condition. If COC determines that the grazing land was not irrigated during the grazing period because of lack of surface water as a result of a qualifying drought condition, then COC is authorized to adjust the producer's eligible acreage on CCC-853 to include the grazing land using the irrigated carrying capacity for LFP purposes. COC's should use the same provisions as used under NAP for covering irrigated grazing losses according to 1-NAP and 2-CP.

The CARS interface in the LFP software will prevent acreage certified as irrigated according to 2-CP imported to the CCC-853 application. Previously irrigated acreage determined eligible by COC will need to be administered according to subparagraph 88 B as a COC adjustment.

• land enrolled in GRP seeded to one of the eligible grazing types listed in subparagraph 27 B

**Exception:** The producer is not eligible for LFP during the time period the GRP conservation plan prohibits grazing during the normal grazing period.

- land enrolled in EQIP seeded to one of the eligible grazing types listed in subparagraph 27 B.--\*
  - **Exception:** The producer is not eligible for LFP during the time period the EQIP contract prohibits grazing during the normal grazing period.

#### 26 Eligible Grazing Land for LFP (Continued)

#### D Ineligible Grazing Land

- acreage enrolled in WRP
- irrigated pastures or crop acreage

\* \* \*

• acreage intended for grain, such as corn and grain sorghum, where the stalks or aftermath is grazed

**Note:** 7 CFR Part 1416.205(a)(2) specifically provides that corn stalks and grain sorghum stalks are **not** considered crops planted specifically for the purpose of providing grazing for covered livestock.

- seeded small grain crops or sorghum forage crops that are planted after the final planting date for the planting period
- first year seeded biennial or perennial forage crop
- double cropped acreage combinations not approved by STC according to 2-CP
- cover crops
- on an AUM-only basis, when the lessee incurs no additional expense for pasture maintenance, wells, fences, etc.
- grazing land that is leased under any of the following conditions:
  - basis of weight gain
  - cost per head, per day or per month.
    - **Example:** Livestock Owner A has an agreement with Producer B under which Livestock Owner A pays \$.30 per day for 100 yearlings grazed on Producer B's pasture. Livestock Owner A pays **only** for the number of days the 100 yearlings graze. Because Livestock Owner A pays only for the actual days grazed, Livestock Owner A is not a forage crop producer and suffers no grazing loss and is **ineligible** for LFP.

#### 26 Eligible Grazing Land for LFP (Continued)

#### E Lease Agreements

COC or CED, if delegated, will review all acreage leases, including CCC-855's to determine whether:

- the lease conveys control, however limited, to the lessee
- lessee is at risk of a loss of production of forage on the grazing land or pastureland crop acreage for which benefits are being requested for LFP.

**Notes:** If the lease prohibits the sublease of the land, the sublessee associated to the sublease will be ineligible for LFP benefits on that acreage.

The determination of eligible crop acreage share and risk in the acreage must be the same for all program purposes.

Eligibility determinations must be documented in the COC minutes. These include things such as that cash-leased grazing land or pastureland that meets the eligibility criteria for leased grazing land or pastureland under LFP. In cases where CED, if delegated, makes a determination of crop acreage share and risk in the grazing land and pastureland may result in an adverse determination, CED must obtain concurrence from COC.

The name of the lessee on the lease must reflect the name of the applicant requesting benefits on CCC-853 for the leased land.

Acreage leases and rental agreements for Private, Federal and State-owned land intended for grazing may include many arrangements for compensation and provide varying degrees of control for using the acreage. Many leases, particularly leases with grazing arrangements, are similar to sales agreements. For example, the lessee pays **only** for the days actual grazing occurs or according to the rate of gain of the grazing animals, etc. These leases do **not** convey control of the acreage, nor does the lessee acquire risk in production of the specific crop acreage under these arrangements.

If a lease (considered a combination lease) provides for a guaranteed amount per month and a share of the crop or crop proceeds, the agreement will be considered a cash lease.

**Note:** Some grazed forage leases on a cost-per-head-per-month basis are combination leases where the tenant is responsible for expenses, such as fence maintenance and repair, maintenance of property and wells, windmills, stock tanks, and materials and labor to rebuild handling facilities, and conducting controlled burns or mechanical control of cedar trees and other shrubs, etc., which is tantamount to a guaranteed amount of lease. The risk of the expenses under leases of this type, whether actually incurred or not, is the same as a guaranteed minimum and the arrangement is viewed as a cash lease, whether or not the lease also provides for a share to the landlord or not.

#### Section 2 Payment Rates, Limitations, and Reductions

#### 56 Drought Payment Calculation

#### **A** General Payment Information

An eligible livestock producer will be eligible to receive LFP payments for grazing losses because of a qualifying drought equal to a factor of 1, 3, 4, or 5 times the monthly payment rate calculated according to subparagraph B.

To be eligible to receive a factor of:

- 1-month payment, that is a payment equal to the monthly feed cost as determined according to subparagraph B, the eligible livestock producer **must** own or lease grazing land or pastureland that is physically located in a county that is rated a D2 severe drought (intensity) in any area of the county for at least 8 consecutive weeks during the normal grazing period for the specific type of grazing land or pastureland in the county
- 3-month payment, that is a payment equal to 3 times the monthly feed cost as determined according to subparagraph B, the eligible livestock producer **must** own or lease grazing land or pastureland that is physically located in a county that is rated at least a D3 (extreme drought) intensity in any area of the county at any time during the normal grazing period for the specific type of grazing land or pastureland for the county
- 4-month payment, that is a payment equal to 4 times the monthly feed cost as determined under subparagraph B, the eligible livestock producer **must** own or lease grazing land or pastureland that is physically located in a county that is rated a D3 (extreme drought) intensity in any area of the county for at least 4 weeks during the normal grazing period for the specific type of grazing land or pastureland for the county or is rated a D4 (exceptional drought) intensity in any area of the specific type of grazing land or pastureland or pastureland for the county at any time during the normal grazing period for the specific type of grazing land or pastureland or pastureland for the county at any time during the normal grazing period for the specific type of grazing land or pastureland for the county or pastureland for the county for the specific type of grazing land or pastureland for the county at any time during the normal grazing period for the specific type of grazing land or pastureland for the county for the county for the county or pastureland for the county for the county for the specific type of grazing land or pastureland for the county for the coun
- 5-month payment, that is a payment equal to 5 times the monthly feed cost as determined under subparagraph B, the eligible livestock producer **must** own or lease grazing land or pastureland that is physically located in a county that is rated a D4 (exceptional drought) intensity in any area of the county for at least 4 weeks during the normal grazing period for the specific type of grazing land or pastureland for the county.

#### 56 Drought Payment Calculation (Continued)

#### **B** LFP Monthly Payment Rate

The monthly payment rate will be 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.

In the case of an eligible livestock producer that sold or otherwise disposed of covered livestock because of drought conditions in 1 or both of the 2 previous production years, the payment rate will be equal to 80 percent of the monthly payment rate. See subparagraph 25 B for eligible mitigated livestock.

#### C Monthly Feed Cost Payment Rates for Covered Livestock

The monthly feed cost for covered livestock is based, in part, on the number of pounds of corn equivalent per head, as established by FSA, determined necessary to provide the energy requirements for the specific kind/type of livestock for 30 calendar days.

The AU daily feed rate and monthly forage value determined according to [7 CFR 1416.207] is the following.

Year	Daily AU Feed Rate	Monthly Value of Forage
2019	\$0.9781	\$29.34
2020	\$1.0629	\$31.89
*2021	\$1.0629	\$31.18*

#### 56 Drought Payment Calculation (Continued)

#### C Monthly Feed Cost Payment Rates for Covered Livestock (Continued)

The following provides the monthly payment rate per head by covered livestock category. See Exhibit 6 for the Standard AU Conversion Chart.

Kind of			Payment Rate Per Head			
Livestock	Туре	Weight Range	2019	2020	*2021	
Beef	Adult	Cows and Bulls	\$29.34	\$31.89	\$31.18	
	Nonadult	500 pounds or more	\$22.01	\$23.92	\$23.38	
	Nonadult	Less than 500 pounds	\$14.67	\$15.94	\$15.59	
Dairy	Adult	Cows and Bulls	\$76.29	\$82.91	\$81.07	
	Nonadult	500 pounds or more	\$22.01	\$23.92	\$23.38	
	Nonadult	Less than 500 pounds	\$14.67	29.34\$31.89\$3 $22.01$ \$23.92\$2 $14.67$ \$15.94\$1 $76.29$ \$82.91\$8 $22.01$ \$23.92\$2 $14.67$ \$15.94\$1 $29.34$ \$31.89\$3 $22.01$ \$23.92\$2 $14.67$ \$15.94\$1 $29.34$ \$31.89\$3 $22.01$ \$23.92\$2 $14.67$ \$15.94\$1 $29.34$ \$31.89\$3 $22.01$ \$23.92\$2 $14.67$ \$15.94\$1 $7.34$ \$7.97\$7 $7.34$ \$7.97\$7 $7.34$ \$7.97\$7 $21.71$ \$23.60\$2 $15.85$ \$17.22\$10 $6.46$ \$7.02\$6 $24.17$ \$26.27\$2 $15.02$ \$16.32\$1	\$15.59	
Beefalo	Adult	Cows and Bulls	\$29.34	\$31.89	\$31.18	
	Nonadult	500 pounds or more	\$22.01	\$23.92	\$23.38	
	Nonadult	Less than 500 pounds	\$14.67	\$15.94	\$15.59	
Buffalo/	Adult	Cows and Bulls	\$29.34	\$31.89	\$31.18	
Bison	Nonadult	500 pounds or more	\$22.01	\$23.92	\$23.38	
	Nonadult	Less than 500 pounds	\$14.67	\$15.94	\$15.59	
Sheep	All		\$7.34	\$7.97	\$7.79	
Goats	All		\$7.34	\$7.97	\$7.79	
Deer	All		\$7.34	\$7.97	\$7.79	
Equine	All		\$21.71	\$23.60	\$23.07	
Elk	All		\$15.85	\$17.22	\$16.84	
Reindeer	All		\$6.46	\$7.02	\$6.87	
Alpacas	All		\$24.17	\$26.27	\$25.68	
Emus	All		\$15.02	\$16.32	\$15.96	
Llamas	All		\$10.71	\$11.64	\$11.38*	

**Note:** A grazing animal is defined as those species of livestock that, from a nutritional and physiological perspective, satisfy more than 50 percent of their net energy requirement through the consumption of forage grasses and legumes, regardless of whether they are grazing or are present on grazing land or pastureland. Unweaned livestock are not considered a grazing animal and are ineligible for LFP.

The monthly feed cost for covered livestock will be calculated by multiplying the monthly payment rate per head, from the table, times the number of eligible covered livestock.

#### 56 Drought Payment Calculation (Continued)

#### **D** Example of Monthly Payment Rate Calculation

The LFP monthly payment rate for losses because of qualifying drought are calculated at 60 percent of the lesser of step 1 or step 2 below as follows:

- **Step 1:** The monthly feed cost for all covered livestock calculated by multiplying the monthly feed cost payment rate for each specific kind, type and weight range from the table in subparagraph C, times the number of head of eligible covered livestock for each specific kind/type and weight range of livestock and totaling the result.
  - **Example:** Participant has 100 head of adult beef cows that suffer a grazing loss during 2019, because of a qualifying drought. The monthly feed cost for the 100 head of adult beef cows equals the monthly payment rate from the table in subparagraph C times the number of head of eligible covered livestock.

100 head adult beef cattle x 29.34 (monthly payment rate per head) = 2,934 (monthly feed cost payment rate for adult beef cattle).

#### 91 CCC-770 LFP, Livestock Forage Disaster Program (LFP) Checklist (Continued)

## E Completing CCC-770 LFP

CCC-770 LFP will be completed according to the following.

Item	Instructions				
1	Enter the name of the producer.				
2	Enter applicable State name.				
3	Enter County Office name that is completing CCC-770 LFP.				
4	Enter the calendar year for which benefits are being requested from CCC-853, item 2.				
*5-28	Check ( $\checkmark$ ) "YES", "NO", or "N/A", as applicable for each entry.				
29	Enter any remarks that may explain special circumstances or explanation for items checked "NO".				
30A	The County Office employee(s) completing the checklist will sign and date as				
and B	<ul> <li>Enter County Office name that is completing CCC-770 LFP.</li> <li>Enter the calendar year for which benefits are being requested from CCC-853, item 2.</li> <li>8 Check (✓) "YES", "NO", or "N/A", as applicable for each entry.</li> <li>Enter any remarks that may explain special circumstances or explanation for items checked "NO".</li> <li>The County Office employee(s) completing the checklist will sign and date as the preparer(s).</li> <li><b>Important:</b> This item will be completed if CCC-770 LFP is selected for spot check. If CCC-770 LFP is selected for spot check. If CCC-770 LFP is selected for spot check, CED or designated representative must certify: <ul> <li>item 31A by checking "Concur" or "Do Not Concur" accordingly if CCC-770 LFP items have been verified and completed</li> <li>item 31B by signing</li> <li>item 31B by signing</li> </ul> </li> <li>Important: This item will be completed if CCC-770 LFP is selected for spot</li> </ul>				
31A, B,					
and C					
	designated representative must certify:				
	accordingly if CCC-770 LFP items have been verified and				
	<ul> <li>item 31B by signing</li> <li>item 31C by entering date.</li> </ul>				
32A, B, and C	check. If CCC-770 LFP is selected for spot check, DD or				
	• item 32A by checking "Concur" or "Do Not Concur" accordingly if CCC-770 LFP items have been verified and completed				
	• item 32B by signing				
	<ul> <li>item 32C by entering date or signature*</li> </ul>				

#### 91 CCC-770 LFP, Livestock Forage Disaster Program (LFP) Checklist (Continued)

## F Example of CCC-770 LFP

The following is an example of CCC-770 LFP. --\*

(04-21-21) U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation	1. Producer Name	2. State Name     4. Calendar Year		
LIVESTOCK FORAGE DISASTER PROGRAM (LFP) CHECKLIST	3. County Office Name			
Office Staff Actions	Handbook or Other Reference	YES	NO	N/A
Eligibility				
5. Has the county triggered a loss for the specific pasture type under LFP for a qualifying drought?				
6. Has the COF reviewed and/or printed the County Eligibility Report to determine the beginning date of the qualifying drought in relation to the producer's eligibility of covered livestock and grazing land?	/ 1-LFP, Paragraph 23			
7. If the grazing loss was due to fire, did the producer provide documentation from the Federal Agency to show the location of the fire, cause of fire, date the fire started, and whether the livestock producer was prohibited from grazing their normal permitted livestock and/or their grazing days were reduced because of the fire?				
8. Does the producer meet the requirements of an eligible livestock producer?				
9. For contract growers, does the grower own and/or cash lease the grazing land that is being provided for the livestock on the date of qualifying drought or fire and is at risk in the production of grazed forage to meet the requirements of ar eligible livestock producer?				
10. Does the producer have risk and control of the forage crop acreage and claimed livestock, on the date of qualifying drought or fire?	1-LFP, Paragraph 24			
<ol> <li>Has the FSA-578 Report of Acreage been filed according to 2-CP for grazed forage crop acreage?</li> <li>Note: Ensure that if the FSA-578 was filed after the acreage reporting date (late filed), that it was processed in accordance with 2-CP policy.</li> </ol>				
12. Do all the claimed livestock, including non-adult beef, dairy, beefalo, and/or buffalo/bison weighing less than 500 lbs., meet the definition of a grazing animal, and are weaned as of the date of the qualifying drought or fire?	1-LFP, Paragraph 25			
13. Do claimed mitigated livestock meet the definitions of mitigated livestock to qualify for payment on the application?				
<ul> <li>quality for payment on the application?</li> <li>For leased land, have all leases/permits, CCC-855s, and final bills or invoices if applicable, been obtained and provided to the County Office by the applicable deadline so that risk can be determined?</li> <li>Note: The original lease or permit must allow for subleasing if producer is claiming subleased land.</li> </ul>	1-LFP, Paragraph 26			
<ol> <li>Is the name of the individual or legal entity on the lease and/or CCC-855 the same as the LFP producer?</li> </ol>				
Application Process				
16. Has signature authority been verified for all signatures on CCC-853?	1-CM, Part 25			
17. Is the livestock owner or contract grower a producer of the grazed forage crop acreage shown on CCC-853? A producer of forage crop acreage is one who is at risk of loss on grazed forage production as opposed to a buyer of grazed forage.	1-LFP, Paragraph 24 & 89			
18. Has a separate CCC-853 been filed for each participant by administrative county, by physical location for the land for which a grazing loss is claimed?				
19. Did the LFP producer complete, sign, date, and submit CCC-853 and supporting documentation (FSA-578, lease(s), CCC-853(s), contract grower agreements, if applicable) by the program deadline?	1-LFP, Paragraph 87			
20. If fire was the qualifying disaster condition causing the grazing loss, did the applicant provide the date and location of the qualifying fire in Item 9 of CCC-853?	1-LFP, Paragraph 89			
21. Did the COC or delegate review the lease(s) and CCC-855(s) for all grazed forage crop acreage, to determine if the acreage is eligible and was this review of eligibility documented in COC minutes?	v 1-LFP, Paragraph 26 & 28			

## 91 CCC-770 LFP, Livestock Forage Disaster Program (LFP) Checklist (Continued)

#### F Example of CCC-770 LFP (Continued)



CCC-770 LFP (04-21-21) Handboo			Handbook or	Page 2 o		
Office Staff A		Other Referen		YES	NO	N/A
<ol> <li>Was the correct carrying capacity(ies) as ltem 25 for the specific pasture type(s) e CCC-853?</li> </ol>	s established by the STC entent ntered in Item 23 of the	ered in	1-LFP, Paragraph 27			
<ol> <li>For Multi-County Producers Only:         <ol> <li>Did the producer certify in Item 20 t the same kind, type, and weight ran county(ies)?</li> </ol> </li> </ol>			1-LFP, Subparagraph 56 F			
B. If applicable, has an adjustment be factor of five has not been exceede range of covered livestock?						
<ul> <li>24. Is all supporting documentation on file, for individuals and all members of an entity, before CCC-853 payment is issued?</li> <li>AD-1026</li> <li>CCC-901, if applicable</li> <li>CCC-902</li> <li>CCC-903</li> <li>CCC-941</li> <li>Note: See 6-PL. Producers not filing the applicable forms will be ineligible to receive program benefits subject to eligibility and limitation applicable to the CCC-853. Ensure a payment reduction has been completed for an ineligible participant(s) share, if applicable.</li> </ul>		1-LFP, Paragraph 87				
<ul> <li>25. Has CCC-853 been signed, dated, and a representative?</li> <li>Note: All CCC-853s executed by State CED's, County Office employees STC, or designee for approval/di</li> </ul>	opproved by COC, CED, or a Office employees, STC, CO , and their spouses must be	C,				
<ol> <li>Has producer, covered livestock, and gra and CCC-853 approval/disapproval beer minutes?</li> </ol>	azing land eligibility determina		1-LFP, Paragraph 88			
<ol> <li>If CCC-853 is disapproved, or if any CO the producer been notified in writing and rights?</li> </ol>						
any fights? 28. If a manual CCC-853 was completed then entered into the automated system, or if the SED or CED requires a second party review, has a second party review been conducted and has CCC-853 been initialed and dated, if applicable?		1-LFP, Paragraph 2 and Subparagraph 87 D				
<b>As shown above, I certify that the en</b> 30A. Signature of Preparer(s)	tries are correct for the in 30B. Date (MM-DD-YYYY)		<b>d:</b> nature of Preparer(s)	30D. Da (Mi	ate M-DD-Y	(YYY)
31A. I concur/do not concur the above ite	ms have been verified and t	updated ac	cordingly: Concur	Do Not Co	ncur	
31B. CED Signature for Spot Check				31C. Da (Mi	te M-DD-Y	YYY)
32B. STC Designee Signature for Spot Check			Do Not Concur 32C. Date (MM-DD-YYYY)			
In accordance with Federal civil rights law and U.S. Department O. administering USA programs are prohibited from discriminating bu- status, family/parental status, income derived from a public assistant (not all bases apply to all programs). Remedies and complaint filing Persons with disabilities who require alternative means of commun. USDA's TARGET Center at (202) 720-2600 (voice and TTY) or cor- other than English. To the a program discrimination complaint, tomy any USDA's transfer or write a lether addressed to USDA and provide	sied on race, cobr, national origin, religion, toe program, political beliefs, or reprisal or n deadlines vary by program or incident cation for program information (e.g., Braille, tact USDA through the Federal Relay Servi olete the USDA Program Discrimination Co	sex, gender iden retaliation for prior , large print, audic ice at (800) 877-8 mplaint Form, AD	thy (including gender expression), sexual orients r civil rights activity, in any program or activity co stape, American Sign Language, etc.) should co 339. Additionally, program information may be in 3027, found online at http://www.ascrudiage.	ation, disability, nducted or fund ntact the respor nade available i /complaint_filing	age, marit led by USi isible Age. n languag 1_cust.htm	al DA ncy or es

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