

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Livestock Forage Disaster Program
1-LFP**

Amendment 7

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Paragraph 2, Subparagraphs 58 E and 91 A have been amended to update reference of IPIA to the Payment Integrity Information Act of 2019 (PIIA).

Subparagraph 2 G has been amended to change “PT Responsibilities” to “PA Responsibilities”.

Subparagraph 7 A has been amended to provide clarification on acreage tolerance policy.

Subparagraph 21 B has been amended to align with 6-PL.

Subparagraphs 22 B and 24 C have been amended to update the LFP application deadline.

Subparagraph 26 D has been amended to update ineligible grazing land.

Subparagraph 26 E has been amended to provide clarification about lease agreements.

Subparagraph 27 A has been amended to provide an update both grazing periods and carrying capacities established for LFP must be the same as what is established for NAP and is reflected in NCT.

Subparagraph 56 C has been amended to provide the 2025 daily AU feed rate, monthly value of forage, and payment rates.

Subparagraph 87 A has been amended to provide the new program deadline in the CCC-853 process

Subparagraph 87 C has been amended to provide the new program deadlines for signature requirements.

Subparagraph 87 E has been amended to provide the new program deadlines for supporting documents.

Amendment Transmittal (Continued)

Page Control Chart		
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2 Responsibilities

A DAFP Responsibilities

DAFP will develop all LFP regulations and policy and ensure that LFP is administered according to LFP regulations.

B STC Responsibilities

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

- direct the administration of LFP in the State through SED
- ensure that FSA State and County Offices, and COC's follow LFP provisions
- take any action **required** by either regulation or procedure that COC has **not** taken
- correct, or require COC to correct, any action that is not according to LFP regulations or procedure
- require COC to withhold taking any action that is not according to LFP regulations or procedure
- handle suspected fraud cases according to applicable procedure
- provide COC and DD with a copy of STC or DAFP determination for appeals or relief cases
- require all applications executed by State Office employees, STC, members, COC members, CED's, County Office employees, and their spouses be sent to STC, or designee for approval/disapproval
- handle appeals according to 1-APP
- establish acres per AU (carrying capacities) and normal grazing periods for grazing and forward recommendations to DAFP according to 1-NAP (Rev. 2)
- thoroughly document, in the STC minutes, all program recommendations, such grazing periods, carrying capacities, program and eligibility determinations, appeals, etc.
- *--require the first 5 applications in the Service Center be reviewed by a State Office--* representative according to subparagraph 88 D to ensure that the program is being implemented according to LFP provisions

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

2 Responsibilities (Continued)

B STC Responsibilities (Continued)

- STC will ensure that producers are properly notified of LFP provisions and program availability in the county, including deadlines for submitting the following:
 - CCC-853 Application for benefits
 - FSA-578 Report of acreage
 - required signatures
 - supporting documentation, including but not limited to leases, CCC-855, contract grower agreements, eligibility forms, etc.
- *--take oversight actions to ensure that PIIA provisions are met to prevent County Offices--* from issuing improper payments according to subparagraph 58 E.

C SED Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 1416, Subparts A and C, SED's will:

- ensure that FSA State and County Offices administer LFP according to regulations and procedure, are thoroughly trained, understand the intent of LFP, and be alert to improper administration of the LFP program and/or abuse
- ensure that State Office representatives conduct reviews according to subparagraph 88 D

Note: SED's may establish additional reviews to ensure that LFP is administered according to these provisions. SED's may also require that second party reviews be conducted on all LFP applications if County Offices continue to be
--problematic with PIIA and improper payments.--

- immediately notify the National Office Livestock Forage Disaster Program Manager of software problems, incomplete or incorrect procedures, specific problems, or findings
- *--take oversight actions to ensure that PIIA provisions are met to prevent County Offices--* from issuing improper payments according to subparagraph 58 E
- handle appeals according to 1-APP
- ensure that **all** County Offices publicize LFP provisions according to paragraph 3.

2 Responsibilities (Continued)

D DD Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 1416, Subparts A and C, DD's will:

- ensure that COC's and CED's follow LFP provisions
- conduct reviews according to subparagraph 88 D, and any additional reviews established by STC's or SED's according to subparagraphs B and C
- provide SED with written report of all reviews according to paragraph 88
- ensure that County Offices publicize LFP provisions according to paragraph 3 and maintain an accurate record of all publicity efforts
- immediately notify SED of LFP software problems, incomplete or incorrect procedures, specific problems, or findings.

E COC Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 1416, Subparts A and C, COC's will:

- ensure that County Offices and CED's fully comply with all LFP provisions
- act on completed CCC-853's according to paragraph 88

Note: COC may delegate approval authority to CED for routine cases. CED's **cannot** be delegated authority to disapprove CCC-853's.

- require all applications executed by State Office employees, STC members, COC members, CED's, County Office employees, and their spouses be sent to STC, or designee for approval/disapproval
- 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 LFP program eligibility determinations made by COC or delegate:

- all factors reviewed or considered
- all documentation reviewed
- references to applicable handbooks, notices, and regulations
- all sources of information obtained for review or consideration.

2 Responsibilities (Continued)

E COC Responsibilities (Continued)

- notify participants in writing, if their application is disapproved

Note: Notifications must include the following information:

- why the application was denied
 - factors reviewed or considered in making determination
 - appeal rights according to 1-APP
 - copy of the application
 - CFR and handbook reference(s).
- *--take any oversight actions necessary to ensure that PIIA provisions are met to prevent--*
County Offices from issuing any improper payments according to subparagraph 58 E
 - ensure that FSA assists persons by providing program information as efficiently and effectively as possible utilizing a variety of resources.

Notes: However, because of limits of FSA resources, publication of program information may/or may **not** be by direct mail or on an individual basis. FSA meets its publication responsibilities by making broad program announcements in press releases, 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 producer's responsibility for being aware of program provisions. FSA **cannot** be responsible for reaching out to every potential program participant with all program information. Producers **must** seek information on program details and **not** wait for FSA to individually contact them about program provisions. As resources permit, the COC will ensure that program provisions are publicized maintain a record of **all** publicity efforts, including postings in Service Centers.

The LFP Fact Sheet:

- may be used to provide general program information
- is available online at <http://disaster.fsa.usda.gov>.

2 Responsibilities (Continued)

F CED Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 1416, Subparts A and C, CED's must ensure that:

- LFP provisions in this handbook are administered uniformly throughout the county
- COC and STC policies are implemented
- County Office employees are adequately trained, and fully comply with all LFP provisions
- appeals are handled according to 1-APP
- County Offices accept CCC-853 from producers according to paragraph 87
- CCC-853 is acted upon according to paragraph 88 and all LFP program and payment eligibility requirements have been met by participants before issuing any payments to
--ensure that PIIA provisions are met--
- if determined necessary, * * * require second party reviews be completed on all LFP
--applications before payments are issued if the County Office is not compliant with PIIA-- provisions and/or problematic with improper payments
- livestock producers receive complete and accurate program information
- SED's are immediately notified, through the DD, of software problems and incomplete or incorrect procedures
- general provisions and other important items are publicized according to paragraph 3 and maintain an accurate record of all publicity efforts in the County Office
- *--take any oversight actions necessary to ensure that PIIA provisions are met to prevent--* County Offices from issuing any improper payments according to subparagraph 58 E.

2 Responsibilities (Continued)

*--G PA Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 1416, Subparts A and C, the PA must:--*

- fully comply with all LFP provisions
- immediately notify CED of software problems and incomplete or incorrect procedures
- ensure that participants receive complete and accurate program information
- ensure that all program and payment eligibility requirements have been met by participants, and CCC-853 's have been approved according to paragraph 88, before
--issuing any payments to ensure that PIIA provisions are met.--

Note: See paragraph 88 for additional information.

3 Outreach

A Background

LFP information including signup and eligibility, will be publicized in a variety of ways, including but not limited to:

- press releases
- print media
- electronic media including GovDelivery newsletters, bulletins and SMS texting
- Federal Register
- direct mailing (may be limited by FSA resource availability)
- radio and television announcements
- posting program information in the USDA Service Center.

B Producer Responsibilities

The participant is responsible 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.

Participants who receive assistance must keep records and supporting documentation for 3 years following the end of the year in which CCC-853 for payment was filed.

C Agency Responsibilities

COC will ensure that LFP provisions are publicized and maintain a record of all publicity efforts, including postings in Service Centers. Conduct LFP public relations and outreach efforts according to 1-INFO and 22-AO.

6 Submitting Documents and Requests to the Washington, DC, National Office

*--C Required Documents for DAFP Submissions

The following **must** be included in the submission:

- a cover memo from STC, SED, or representative with a detailed written narrative explaining what is at issue and what is being sought
- a complete case file that contains **all** documents required by this handbook or other FSA directives; for example, CCC-853, CCC-855 or leases, FSA-321, FSA-578, producer's written request for relief, and other documents determining eligibility, as applicable
- COC and STC minutes documenting recommendation, concurrence, or approval, as applicable
- other information that may assist in processing the request.--*

* * *

7 Tolerance

A Acreage Tolerance

LFP regulations **require** participants to accurately complete an acreage report for the grazing lands incurring losses for which assistance is being requested before completing CCC-853.

The tolerance provisions of 7 CFR Part 718 are **not** applicable to LFP. Under 7 CFR *--Part 1416.2, DAFP has established the following LFP policy for acreage tolerance when an application is selected for spot check or compliance review and the determined crop acreage, according to 2-CP, is less than reported acreage the producer certified to as having a grazing loss for LFP.--*

Acreage tolerance means the number of acres that the reported acreage may differ from the determined acreage for all grazing acres the producer has certified as having a grazing loss because of drought or fire.

Acreage tolerance for LFP purposes is the larger of 1 acre or 5 percent of the total reported acreage, **not** to exceed 50 acres.

Note: Acreage tolerance only applies when determined crop acreage is **less** than reported crop acreage. The tolerance rule does not apply to forage reported in AUM's or livestock inventories reported on CCC-853.

* * *

B Acreage Tolerance Calculation

Acreage tolerance will be calculated using all grazing acres the producer has certified on FSA-578 and then on CCC-853 as having a grazing loss. Use this table to calculate acreage tolerance.

Step	Calculation
1	Add total reported acreage of all grazing acres the producer reported on FSA-578 and also certified as drought or fire affected on CCC-853.
2	Multiply total reported acreage in step 1 by 5 percent. The result of this calculation is 5 percent of reported crop acreage and with a minimum of 1.0 acre not to exceed 50.0 acres.
3	Subtract total determined acreage of grazing acres the producer certified as drought or fire affected as represented on FSA-578 and CCC-853 from the total reported acreage in step 1 to arrive at the difference between reported and determined acreage.
4	If the result of step 3 is greater than step 2, the reported acres exceed the acreage tolerance limitation.

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Part 2 Policy and Payments

Section 1 Eligibility Provisions

21 General Information

A Purpose

This handbook provides instructions for administering LFP.

LFP pays eligible livestock owners and contract growers who are also producers of eligible grazed forage crop acreage who suffer grazing losses because of qualifying drought or fire. For drought, the loss **must** have occurred because of a qualifying drought during the normal grazing period for the county on land that is native or improved pastureland with permanent vegetative cover or is planted to a crop planted specifically for grazing for covered livestock. For fire, LFP provides payments for owners or contract growers grazing losses on rangeland managed by a Federal Agency if the eligible livestock is prohibited by the Federal Agency from grazing the normal permitted livestock on the managed rangeland because of a qualifying fire. The eligible grazing loss **must** occur within the same calendar year for which benefits are being requested.

B Payment Limitation, Attribution, and Substantive Change

--No person, legal entity (excluding general partnerships for joint ventures), or member of a-- joint venture or general partnership may receive, directly or indirectly, more than \$125,000 per program year under LFP. Payments are attributed to the 4th level of ownership in a legal entity business structure. Members, stockholders, or partners below the 4th level of ownership are ineligible for payment.

*--CCC-902 will be used to collect the required information for application of the following rules according to 6-PL:

- payment attribution rules (including common attribution)
- minor child rules
- substantive change rules
- identifying foreign persons and entities.--*

For more information, see 6-PL.

C AGI Provisions

The statutory AGI limitation in 7 CFR Part 1400 relating to limits on AGI for persons, or legal entities, **excluding** joint ventures and general partnerships, apply to each applicant for LFP. Specifically, a person or legal entity with an AGI that exceeds \$900,000 will **not** be eligible for benefits under LFP.

21 General Information (Continued)

D Sequestration Reduction

The Balanced Budget and Emergency Deficit Control Act passed by Congress in 2011 requires USDA to implement reductions to LFP. 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.

LFP payments will have a sequestration percentage applied to the payment amount determined after all reductions have been applied. The sequestration percentage:

- amount is applied at the payment entity/producer level
- amount is not attributed to members
- amount is applied to the producer receiving the payment after the payment has been attributed for payment limitation purposes
- amount is reduced from the determined payment amount for the producer as the last step before sending the payment information to NPS
- percentage is determined based on the COC or designee approval date entered according to CCC-853, Part G
- *--rate is 5.7 percent until 2030 according to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.--*

Note: The sequestration percentages apply to the * * * year of the application **approval date** regardless of the program year of the application.

21 General Information (Continued)**E Payment Reductions**

Any payment for which an eligible livestock producer may be eligible may be reduced by any amount received for the same or similar loss.

An eligible livestock producer may elect to receive assistance for grazing losses because of drought conditions under subparagraph 23 A or fire conditions under subparagraph 23 C, but **not** both for the same loss on the same grazing land or pastureland acres.

Other restrictions apply, including but **not** limited to, restrictions about:

- HEL and WC provisions
- grazing losses that are **not** related to a qualifying drought or fire condition.

F Multiple Benefits

The limitation on multiple benefits does **not** apply to LFP for losses as specified in 7 CFR Part 1416.

Livestock producers who suffer grazing losses who purchased NAP coverage for grazing and a RI-PRF and/or Annual Forage policy on the same acres for the same intended use of “Grazing (GZ)” still remain eligible to earn a LFP payment, PRF/AF indemnity, and NAP payment on the same acres for the same intended use of “Grazing (GZ)” for the applicable year of loss.

G Deceased Individuals, Dissolved Entities, and Minors

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

22 LFP Application Period

A Application Period

A general signup period and ending date are **not** applicable for LFP. Producers may make application for LFP benefits in their respective county following the filing of a valid crop acreage report according to 2-CP. Some offices may publicize (or this could be announced in news releases and GovDelivery) that:

- the National Office has announced a county that has a **qualifying drought** based on the U.S. Drought Monitor severity rating
- a Federal Agency of a **qualifying fire** on rangeland managed by the Federal Agency and eligible livestock producers are prohibited from grazing their normal permitted livestock on the rangeland managed by the Federal Agency because of a qualifying fire.

*--B Program Application Periods

For 2019 through 2023 calendar year losses, to apply for payment, eligible livestock owners and contract growers who are forage crop producers **must** submit a completed CCC-853 and required supporting documentation no later than 30 calendar days after the calendar year in which the grazing loss occurred.

For 2024 and subsequent calendar year losses, to apply for payment, eligible livestock owners and contract growers who are forage crop producers **must** submit a completed CCC-853 and required supporting documentation no later than March 1 after the calendar year in which the grazing loss occurred.

If the deadline falls on a day the County Office is not open for normal business, follow 1-CM.--*

Supporting documentation includes, but not limited to:

- accurate FSA-578 filed according to 2-CP on crops LFP benefits are being requested

Note: FSA-578 must be filed according to 2-CP before submitting CCC-853. Absent a valid FSA-578, there is no CCC-853.

- pastureland/rangeland leases, CCC-855, as applicable
- copy of contract grower agreement
- any additional information as requested by the COC to determine program eligibility.

24 Eligible Livestock Producers for LFP (Continued)

B Eligible Livestock Producers

To be considered eligible for LFP, the person or legal entity meeting the requirements of subparagraph A **must**:

- during the 60 calendar days before the beginning date of a qualifying drought or fire, own, cash or share lease, or be a contract grower or covered livestock
- as of the date of the qualifying drought or fire, provide grazing land or pastureland for covered livestock, including cash-rented grazing land or pastureland that is either:
 - physically located in a county affected by a qualifying drought during the normal grazing period for the specific forage crop acreage in 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 normal permitted livestock because of a qualifying fire
- certify that the livestock producer has suffered a grazing loss because of a qualifying drought or fire to be eligible for LFP payments
- file FSA-578 either timely filed or meeting all late filed provisions, according to 2-CP, for grazing land for which a loss is being claimed.

*--Deceased producers who had covered livestock and provided grazing land or pastureland for covered livestock during the program year and prior to the date of qualifying drought or wildfire are considered eligible producers for LFP if the livestock and pastureland were owned, are in probate, or are transferred to an individual or entity with right of survivorship during the 60 calendar days before the beginning date of a qualifying drought or fire.

Example: Joe Rancher filed a 2022 acreage report in Elko County on December 15, 2021, for his pastureland which included some owned and leased land. Mr. Rancher died on February 1, 2022. All pastureland and livestock were owned with right of survivorship with his wife Jill Rancher. Mr. Rancher also had federal land leased under his name. Elko County triggered for LFP on May 1, 2022. Even though Mr. Rancher died prior to the 60 calendar days period before the beginning date of qualifying drought or fire, Mr. Rancher is the eligible LFP producer and Mrs. Rancher could make application for Mr. Rancher because she is now the owner of the land and livestock through right of survivorship. No adjustments to the acreage report or leases are necessary to meet all the LFP eligibility requirements. See subparagraph 58 B for issuing payments to deceased individuals.--*

24 Eligible Livestock Producers for LFP (Continued)

C Contract Growers

Contract grower, according to 7 CFR § 1416.202, is a person or legal entity that was engaged in a farming operation not as an owner of the covered livestock but in a business whose income is dependent on the actual weight gain and/or number of offspring of the covered livestock.

Note: The regulations at 7 CFR § 1416.206 (b) provide that contract growers **must** provide copies of grower contracts and other supporting documents to the administrative FSA ***--County Office not** later than March 1 after the end of the calendar year in which the **--*** grazing loss occurred.

26 Eligible Grazing Land for LFP (Continued)

D Ineligible Grazing Land (Continued)

- *--acreage enrolled in a conservation or easement program that has grazing restrictions--* during the normal grazing period
- 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
- grazing land leased on an AUM-only basis, when the lessee incurs no additional expense for pasture maintenance, wells, fences, etc.
- volunteer acreage as defined in 2-CP
- acreage reported on FSA-578 with an intended use of any other use but grazing (Gz), according to 2-CP
- 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 a lease 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; therefore, Livestock Owner A is not at risk as a forage crop producer on this leased acreage. Livestock Owner A's land leased under this arrangement is **ineligible** acreage 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:** A cancelled check is not representative of lease terms, therefore, is not acceptable as a replacement for a lease. A CCC-855 should be completed if a written lease is not available, outlining terms, risk, control, and signatures obtained from both lessee and lessor.--*

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 other FSA and RMA program purposes, including but not limited to ARC/PLC, NAP, ELAP, and PRF.

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 a CED, if delegated, makes a determination of crop acreage share and risk in the grazing land and pastureland may result in an adverse determination, the 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.

27 Normal Grazing Periods for LFP

A Establishing Normal Grazing Periods and Carrying Capacities for LFP

LFP provides payments to eligible livestock producers that have suffered livestock grazing losses because of a qualifying drought or fire during the normal grazing period for the county.

For drought, the losses **must** have occurred:

- on land that is native or improved pastureland or rangeland with permanent vegetative cover, or is planted to a crop planted specifically for grazing for covered livestock
- because of a qualifying drought during the normal grazing period for the specific type of grazing land or pastureland in the county during the calendar year.

--The grazing periods and carrying capacities established for LFP must be the same as what is established for NAP and is reflected in the NCT.--

Grazing period for small grains may begin in 1 calendar year and end in the succeeding calendar year.

Note: The LFP program year for small grain grazing is the same as the NAP normal grazing period for small grains, and in accordance to the grazing period established in the NCT.

Example: Pasture Type	<u>Start Date</u>	<u>End Date</u>
Forage Sorghum	June 15	October 31
Improved Pasture	March 1	October 31
Native Pasture	March 1	October 31
Long Season Small Grains	October 15	June 1
Short Season Small Grains	October 15	March 1
Short Season Spring Small Grains	November 15	June 1
Short Season Fall/Winter Small Grains	November 15	March 1

Example 1: In County A, producers plant small grains with the intent to graze the small grains for the full growing season. The normal grazing period for long season small grains grazing in County A is October 15, 2019, through June 1, 2019. The normal grazing period for long season small grains would be established as follows.

	<u>Pasture Type/Start Date</u>	<u>End Date</u>
	Long Season Small Grains	October 15 June 1

27 Normal Grazing Periods for LFP (Continued)

A Establishing Normal Grazing Periods and Carrying Capacities for LFP (Continued)

STC must review normal grazing periods and acres per AU (carrying capacity) established for NAP and LFP for each crop with an intended use of grazing to ensure that the:

- normal stocking rate and number of grazing days established under NAP acres per AU (carrying capacity) can normally be sustained without detrimental effects on the land resource excluding supplemental feedstuff
- stocking rate under NAP reflects the specific number of acres of forage capable of supporting one AU for the specified grazing days during the grazing period without supplemental feedstuff

Note: If stocking rates/carrying capacities (acres per AU) need to be adjusted, States should work together with neighboring States, in addition to NRCS and/or Extension Service to assist in this process.

- normal grazing periods (beginning and ending grazing period dates) are established correctly taking into consideration factors such as topography, climate, altitude, and land mix, which affects grazing in the same county or area within the county for the same *--forage type(s), such as native grass and ensure that grazing periods are established according to the:
 - beginning date of the grazing period (start date) is rounded to the 1st or 15th of the month
 - normal harvest date (end date) is rounded to the 15th or last day of the month
 - proposed number of grazing days is calculated based on the proposed beginning of the grazing period and proposed normal harvest date (grazing period end date)

Note 1: NAP and LFP State program specialists must work together to ensure that NAP, LFP, and ELAP program requirements are addressed and consistency is maintained between programs when establishing normal grazing periods and acres per AU (carrying capacity).

Note 2: If the NAP application closing date has passed for the specific pasture or grazing crop type for the applicable year, the normal grazing period for that specific pasture or grazing crop for that crop year may **not** be changed.--*

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 county at any time during the normal grazing period for the specific type of grazing land or pastureland for the county
- 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.

***--Note:** During the established normal grazing period, the drought intensity may increase. Producers with an approved CCC-853 may then be eligible for an increased payment factor not to exceed the maximum payment amount for the eligible livestock. The payment software will automatically calculate the additional payment amount and send it to NPS if the drought intensity factor increases for a 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 of the following:

- the monthly feed cost for all weaned covered livestock owned or leased by the eligible livestock producer
- the monthly feed cost 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 weaned-- 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	\$1.0393	\$31.18
2022	\$1.5763	\$47.29
2023	\$1.9374	\$58.12
2024	\$1.7521	\$52.56
--2025	\$1.3800	\$41.40--

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 Livestock	Type	Weight Range	Payment Rate Per Head					
			2020	2021	2022	2023	2024	*--2025
Beef	Adult	Cows and Bulls	\$31.89	\$31.18	\$47.29	\$58.12	\$52.56	\$41.40
	Nonadult	500 pounds or more	\$23.92	\$23.38	\$35.47	\$43.59	\$39.42	\$31.05
	Nonadult	Less than 500 pounds	\$15.94	\$15.59	\$23.64	\$29.06	\$26.28	\$20.70
Dairy	Adult	Cows and Bulls	\$82.91	\$81.07	\$122.95	\$151.12	\$136.66	\$107.64
	Nonadult	500 pounds or more	\$23.92	\$23.38	\$35.47	\$43.59	\$39.42	\$31.05
	Nonadult	Less than 500 pounds	\$15.94	\$15.59	\$23.64	\$29.06	\$26.28	\$20.70
Beefalo	Adult	Cows and Bulls	\$31.89	\$31.18	\$47.29	\$58.12	\$52.56	\$41.40
	Nonadult	500 pounds or more	\$23.92	\$23.38	\$35.47	\$43.59	\$39.42	\$31.05
	Nonadult	Less than 500 pounds	\$15.94	\$15.59	\$23.64	\$29.06	\$26.28	\$20.70
Buffalo/ Bison	Adult	Cows and Bulls	\$31.89	\$31.18	\$47.29	\$58.12	\$52.56	\$41.40
	Nonadult	500 pounds or more	\$23.92	\$23.38	\$35.47	\$43.59	\$39.42	\$31.40
	Nonadult	Less than 500 pounds	\$15.94	\$15.59	\$23.64	\$29.06	\$26.28	\$20.70
Sheep	All		\$7.97	\$7.79	\$11.82	\$14.53	\$13.14	\$10.35
Goats	All		\$7.97	\$7.79	\$11.82	\$14.53	\$13.14	\$10.35
Deer	All		\$7.97	\$7.79	\$11.82	\$14.53	\$13.14	\$10.35
Equine	All		\$23.60	\$23.07	\$34.99	\$43.01	\$38.90	\$30.64
Elk	All		\$17.22	\$16.84	\$25.54	\$31.39	\$28.39	\$22.36
Reindeer	All		\$7.02	\$6.87	\$10.42	\$12.80	\$11.56	\$9.11
Alpacas	All		\$26.27	\$25.68	\$38.95	\$47.88	\$11.56	\$9.11
Emus	All		\$16.32	\$15.96	\$24.20	\$29.75	\$26.90	\$21.19
Llamas	All		\$11.64	\$11.38	\$17.26	\$21.21	\$19.18	\$21.19
Ostrich	All				\$26.01	\$31.97	\$28.91	\$15.11--*

Note: A grazing animal is defined as those species of livestock that, from a nutritional and physiological perspective, are weaned and 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).

58 General Payment Information

A Assignments and Offsets

For LFP, County Offices will:

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

B Issuing Payments to Deceased Individuals, Closed Estates, and Dissolved Entities

For LFP, County Offices will process payments to deceased individuals, closed estates, and dissolved entities according to 1-CM.

C Payment Eligibility Requirements

Producers with qualifying livestock and qualifying losses must also meet payment limitation and payment eligibility criteria to be considered eligible for program benefits. The following must be on file before a payment will be issued:

- *--current CCC-902 on file for the participant on CCC-853 according to 6-PL
- CCC-901 on file for legal entities according to 6-PL
- CCC-903 on file for the person or legal entity according to 6-PL--*
- **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
 - substantive change provisions according to 6-PL.

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

58 General Payment Information (Continued)**D Conservation Compliance Provisions**

AD-1026 applicable to the year for which LFP benefits are requested **must** be on file for the participant according to 6-CP.

If AD-1026 applicable for the year for which LFP 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 LFP
- **not** on file for the participant, and affiliates, if applicable, County Office will obtain a completed AD-1026 applicable to the year for which LFP benefits are requested.

If a new AD-1026 is required to be filed, payments may be issued to eligible participants upon signing in AD-1026, item 10. It is **not** necessary to withhold payments pending NRCS HEL or WC 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.

E 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.

F 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.

59-86 (Reserved)

Section 3 Applying for Benefits

87 Applying for Benefits

A CCC-853 Process

To apply for LFP, the participant that suffered eligible grazing losses because of a qualifying drought or fire **must** have first submitted a valid FSA-578 according to 2-CP before submitting a completed CCC-853 application for payment and required supporting *--documentation to the administrative County Office no later than March 1 after the end of--* the calendar year in which the grazing loss occurred.

Note: If the 30th calendar day after the end of the calendar year in which the grazing loss occurred falls on a day the County Office is not open for business during normal work hours, then a completed CCC-853 and required supporting documentation must be submitted to the administrative County Office no later than the next workday.

Producers who suffer grazing losses because of additional grazing types being affected by drought or fire during the calendar year may file multiple CCC-853's for payment. Other documentation is required for a complete CCC-853.

Complete CCC-853 in the web-based software according to Part 7. **A manual CCC-853 must only be completed if the automated system is not available.**

State and County Offices must not develop, design, or use any forms, worksheets, applications, or other documents to obtain or collect the data required from participants to complete CCC-853.

CCC-853's for LFP will be based on the following:

- administrative county by physical location
- calendar year
- participant.

87 Applying for Benefits (Continued)

A CCC-853 Process (Continued)

If at any point the administrative county, physical location county, calendar year, or participant is different, a separate CCC-853 **must** be filed.

CCC-853's must be filed by eligible livestock producers in **the farm's administrative County Office** by physical county location.

FSA does have provisions in 10-CM that will allow farms to be transferred to other counties; therefore, some farms may be administratively located in a county where the farm is **not** physically located.

When a participant has a percentage share interest in a livestock operation with an associated participant that is physically located in the same county in the same calendar year, the total eligible livestock for each participant must be listed on separate CCC-853's based on each participant's share in the livestock operation.

Example: Jane Jones has livestock interests in Castro County in calendar year 2019, and certified grazing losses because of a qualifying drought. Jane Jones is a 50-50 share owner with Bill Green of 100 adult beef cows in Castro County. Jane Jones and Bill Green, as individuals, each have a 50 percent interest in 100 head of beef cattle.

The following two CCC-853's would be filed in Castro County, Texas for calendar year 2019, assuming all participants file CCC-853 for the eligible livestock, and none of the participants have any other livestock interests.

- One CCC-853 for Jane Jones that includes 100 head of beef cows from the operation shared with Bill Green with a share of 50 percent.
- One CCC-853 for Bill Green for 100 head of beef cattle from the operation he shares with Jane Jones with a share of 50 percent.

87 Applying for Benefits (Continued)

B Signing and Certifying CCC-853

--When signing CCC-853, item 44A, the producer is:--

- applying for LFP benefits based on the eligible grazed forage crop acreage previously reported according to 2-CP for the participant listed on CCC-853, item 6
- certifying **all** of the following:
 - information provided on CCC-853 is true and correct
 - livestock claimed on CCC-853 are eligible livestock according to paragraph 24
 - that during the 60 days before the beginning date of the qualifying drought and/or fire condition, the participant owned, leased, purchased, entered into a contract to purchase, or is a contract grower of the eligible livestock, and/or sold livestock because of a qualifying drought condition(s), and that these livestock were either grazing or would be grazing the participant's eligible pastureland and/or rangeland during the grazing period

***--Note:** Producer is to only apply for benefits on the animals that were owned, leased, or contracted that were grazing or were intended for grazing during the grazing period for the calendar year that benefits are being applied for.

- if producer has applied for LFP benefits on the same livestock in any other County--* Office location, and if applicable, report the county and State location, and the number of livestock kind, type, and weight range on other LFP application(s)
- all supporting documentation provided are true and correct copies of the transaction reported
- that an eligible grazing loss occurred because of a qualifying drought or fire on Federally managed grazing land for which the producer was prohibited from grazing the normal permitted livestock on the Federally managed rangeland
- physical location and date of qualifying fire condition, if applicable
- the names of all other producers that have an interest in the claimed livestock, including their share

87 Applying for Benefits (Continued)

B Signing and Certifying CCC-853 (Continued)

- authorizing FSA officials to:
 - enter upon, inspect, and verify all applicable livestock and acreage in which the participant has an interest for confirming the accuracy of the information provided
 - review, verify, and authenticate all information provided on CCC-853 and supporting documents
 - contact other agencies, organizations, or facilities to verify data provided by a participant from such agencies, organizations, or facilities
- acknowledging that:
 - failure to provide information requested by FSA is cause for disapproval of CCC-853
 - providing a false certification to FSA is cause for disapproval of CCC-853, and is punishable by imprisonment, fines, and other penalties.

Note: Participants who receive assistance **must** keep records and supporting documentation for 3 years following the end of the year in which CCC-853 for payment was filed.

C Signature Requirements

*--Program years 2019 through 2023, all participants' signatures **must** be received by no later than 30 calendar days after the end of the calendar year in which the grazing loss occurred.

Program year 2024 and subsequent years, all participants' signatures **must** be received no later than March 1 following the calendar years in which the grazing loss occurred. Applications that are revised after the program deadline are considered late-filed and must follow late-filed procedure.

Note: If the program deadline falls on a day the County Office is not open for business during normal work hours, follow 1-CM.--*

STC or COC do **not** have authority to approve late-filed CCC-853.

See 1-CM for signature requirements.

Note: All participants' signatures must be obtained on both manual and automated CCC-853's, if applicable.

87 Applying for Benefits (Continued)

D Printing and Reviewing CCC-853

After all information is entered into the automated system, County Offices will:

- print an automated CCC-853
- if a manual CCC-853 was submitted:
 - attach the manual CCC-853 to the automated CCC-853
 - conduct a second party review of all data on the automated CCC-853 to ensure that all data is loaded correctly.

Important: The individual conducting the second party review must:

- **not** be the same individual who entered the data into the automated system
- initial and date automated CCC-853 to indicate second party review has been completed.

Note: Manual CCC-853's shall only be taken if the automated LFP application software system is **not** operational or available at the time of application. DD shall conduct second party reviews for all manual CCC-853's to ensure that manual CCC-853's are loaded in the automated system within 5 workdays from the date the participant signs.

E Supporting Documents

All supporting documents **must** be completed by the participant and on file in the County Office before CCC-853 may be acted on.

*--For program years 2019 through 2023, the participant **must** provide the supporting documents listed in this paragraph no later than 30 calendar days after the end of the calendar year for which benefits are requested.

For program year 2024 and subsequent the participant **must** provide the supporting documentation to the County Office no later than March 1 after the end of the calendar year for which benefits are requested:--*

87 Applying for Benefits (Continued)

E Supporting Documents (Continued)

--Supporting documents that must be provided are as follows:--

- report of acreage for the grazing land incurring losses filed by the applicable crops final reporting date or the report of acreage is determined acceptable under late-filed provisions according to 2-CP

Notes: Acreage and/or AUM's must be recorded and certified in CARS according to 2-CP for the producer's forage data to be interfaced into the LFP application software system. State, Federal, tribal permits, and/or leases in AUM's or acres must be recorded in CARS accordingly.

FSA-578, intended use must **not** be revised after the crop's acreage reporting date according to 2-CP.

- evidence that grazing land is owned or leased

Note: If the 30th calendar day after the end of the calendar year for which benefits are requested falls on a day the County Office is not open for business during normal work hours, then all participants must provide the supporting documentation to the County Office no later than the next workday.

- copy of contract grower contracts
- evidence that participant is prohibited by the Federal Agency from grazing the normal permitted livestock on the managed rangeland because of a fire.

Additional supporting documents including, but **not** limited to, the following **must** be completed by the participant and be on file in the County Office before a payment can be issued:

- AD-1026, according to 6-CP
- CCC-901, if applicable according to 6-PL
- CCC-902, according to 6-PL

Note: A CCC-903 COC determination must also be completed according to 6-PL.

- CCC-941, or other acceptable document according to 6-PL to determine compliance--* with average AGI provisions.

91 CCC-770 LFP, Livestock Forage Disaster Program (LFP) Checklist**A Overview**

--PIIA requires Federal agencies to evaluate programs to determine whether internal controls-- are sufficient to prevent improper payments. CCC-770 LFP was developed to address areas of concern to ensure that LFP payments are issued properly.

B CCC-770 LFP Program Checklist

CCC-770 LFP:

- is applicable to administering LFP
- must be used when CCC-853 is filed for the first 10 applications, within each Service Center
- does **not** negate STC, SED, State Office, DD, COC, CED, and County Office responsibility for administering all provisions applicable to LFP.

Note: CCC-770 LFP was developed by the National Office and is the **only** authorized checklist for LFP. County Offices will **not** use State or locally generated checklists for administering LFP.

91 CCC-770 LFP, Livestock Forage Disaster Program (LFP) Checklist (Continued)**C County Offices Use of CCC-770 LFP**

County Offices may use CCC-770 LFP as a management tool to help address deficiencies identified by a review or spot check of whether LFP policies or procedures are being followed before issuing LFP payments.

The County Office employee that completes each item on CCC-770 LFP is certifying that the applicable LFP provisions have, or have **not**, been met. As an alternative, County Offices may choose to review all items after COC approval, if applicable.

After all questions on CCC-770 LFP have been answered in a manner that supports approving the applicable CCC-853, the County Office employee will sign and date CCC-770 LFP, item 35, as the preparer.

Note: In cases involving multiple preparers, the preparer can use item 34, “Remarks” section, to indicate which items they verified.

County Offices will see the applicable handbook provisions, as specified, for additional information.

D Determining When to Use CCC-770 LFP

SED, STC, or designee, DD, or CED, will determine:

- when County Offices are to complete CCC-770 LFP, if apparent internal control deficiencies are found during CED, STC representative, or DD reviews
- whether CCC-770 LFP is necessary to avoid findings indicated in COR reviews
- when additional internal controls are necessary to reduce improper payments.

Reports, Forms, Abbreviations, and Redelegations of Authority

Reports

None.

Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
AD-1026	Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification		58, 87, 88
CCC-770 LFP	Livestock Forage Disaster Program (LFP) Checklist	91	88
CCC-853	Livestock Forage Disaster Program Application	89	Text, Ex. 2
CCC-853-1	Estimated Livestock Forage Disaster Program Payment Calculation Worksheet	90	
CCC-855	Annual Lease Agreement Certification Statement	28	2, 6, 22, 26
CCC-901	Members Information		58, 87, 88
CCC-902	Farm Operating Plan		21, 58, 87, 88
CCC-903	Worksheet for Payment Eligibility and Payment Limitation Determinations		58, 87
CCC-941	Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information		87, 88
FSA-321	Finality Rule and Equitable Relief		6
FSA-578	Report of Acreage		2, 6, 7, 22, 24, 25, 26, 87, 89

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

Approved Abbreviation	Term	Reference
2014 Farm Bill	Agricultural Act of 2014 (Pub. L. 113-79)	1
AU	animal unit	Text, Ex. 6
AUD	animal unit day	57, 90
AUM	animal unit month	Text
CARS	Crop Acreage Reporting System	26, 27, 87, 89, Ex. 7
ECPR	Estimated Calculated Payment Report	56
PA	Program Analyst	2
PIIA	Payment Integrity Information Act of 2019	2, 58, 91
PRF	Pasture, Rangeland, Forage	26
PRF/AF	Pasture, Rangeland, Forage/Annual Forage	21
RI-PRF	Rainfall Index-Pasture, Rangeland, Forage	21
SND	Safety Net Division	1, 6, 88

Redelegations of Authority

COC may delegate authority to CED's to approve only routine CCC-853's with supporting documentation.

Important: CED's will **not** be delegated authority to disapprove any CCC-853.