

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Livestock Programs
4-DAP (Revision 2)**

Amendment 3

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Paragraphs 21 and 140 have been amended to provide that benefits have been extended for losses that occurred on or after February 28, 2007, and before December 31, 2007.

Paragraphs 23, 42, 45, 72, 73, 142, 163, 164, 165, 180, 181, 182, 183, 184, and 201 have been amended for clarification.

Subparagraph 42 A has been amended to further define the eligible disaster event of hurricane to include earthquake.

Subparagraphs 42 H and 162 J have been amended to provide specific signature requirements for dissolved general partnerships and joint ventures.

Subparagraphs 71 A and 180 A have been amended to provide eligibility requirements for a minor child.

Subparagraph 73 B has been amended to replace FSA-900 (08-30-07) with revised FSA-900 (01-10-08).

Paragraph 162 has been amended for clarification, correct paragraph references, and to:

- further define the eligible disaster event of hurricane to include earthquake
- provide that alpacas, emus, quail, and pheasants are ineligible livestock under 2005-2007 LCP
- incorporate provisions from Notice-DAP-272
- include provisions for eligible feed loss and increased feed costs.

Amendment Transmittal (Continued)

A Reasons for Amendment (Continued)

Paragraph 166 has been amended for clarification and to include policy for determining increased feed costs.

Subparagraph 209 C has been amended to reference rules for prorating acres when multiple operations or individuals are using the same pasture acres.

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Part 2 2005-2007 LIP

Section 1 Basic 2005-2007 LIP Information

21 General Information

A Purpose

This part provides instructions for administering 2005-2007 LIP.

2005-2007 LIP provides monetary assistance to eligible livestock owners and livestock contract growers, but not both for the same livestock, for livestock deaths that occurred *--between January 1, 2005, and December 31, 2007, in eligible disaster counties because of--* an eligible disaster event, including losses because of blizzards that started in 2006 and continued into January 2007.

Note: Monetary assistance provided under 2005-2007 LIP is **not** required to be used by the payee for any specific purpose.

B Source of Authority

The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Pub. L. 110-28) authorizes the Secretary of Agriculture to use such sums as necessary to remain available, until expended, to provide assistance to certain livestock producers who suffered the death of eligible livestock between January 1, 2005, and February 28, 2007, because of an eligible disaster, including losses because of blizzards that started in 2006 and continued into January 2007.

--The Department of State, Foreign Operations, and Related Programs Appropriations Action, 2008, amends Pub. L. 110-28, by extending assistance to eligible livestock producers who suffered the death of eligible livestock on or after February 28, 2007, but before December 31, 2007.--

The regulations for 2005-2007 LIP are provided in 7 CFR Part 760, Subpart J.

C Public Information

Follow instructions in 2-INFO for providing information about 2005-2007 LIP.

D Modifying Provisions

Provisions in this handbook shall **not** be revised without prior approval from the National Office. Requests for revisions shall be addressed to the Livestock Assistance Program Manager, through the Deputy Administrator.

21 General Information (Continued)**E Forms**

Forms, worksheets, applications and other documents other than those provided in this *--handbook or issued by the National Office shall not be required for implementing the 2005-2007 LIP.

Any document that collects data from a participant, regardless of whether the participant's signature is required:

- is subject to the Privacy Act and information collection procedures
- requires clearance by the following offices:--*
 - National Office program area
 - MSD, Forms and Graphics Section
 - OMB.

* * *

F Related Handbooks

See Part 1 for handbooks related to 2005-2007 LIP.

22 Responsibilities**A STC Responsibilities**

Within the authorities and limitations in this handbook and 7 CFR Part 760, Subpart J, STC's shall:

- direct the administration of 2005-2007 LIP
- ensure that FSA State and County Offices follow 2005-2007 LIP provisions
- thoroughly document all actions taken in the STC minutes
- handle appeals according to 1-APP

22 Responsibilities (Continued)

A STC Responsibilities (Continued)

- review all applications executed by State Office employees, COC members, and their spouses according to subparagraph 72 D
- require reviews be conducted by DD according to subparagraph 72 E to ensure that County Offices comply with 2005-2007 LIP provisions

Note: STC may establish additional reviews to ensure that 2005-2007 LIP is administered according to these provisions.

- take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments according to subparagraph 45 E.

B SED Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 760, Subpart J, SED's shall:

- ensure that FSA County Offices follow 2005-2007 LIP provisions
- handle appeals according to 1-APP
- ensure that DD conducts reviews according to subparagraph A

Note: SED may establish additional reviews to ensure that 2005-2007 LIP is administered according to these provisions.

- ensure that **all** County Offices publicize 2005-2007 LIP provisions according to subparagraph D
- *--immediately notify the National Office Livestock Assistance Program Manager of--* software problems, incomplete or incorrect procedures, specific problems, or findings
- take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments according to subparagraph 45 E.

22 Responsibilities (Continued)

C DD Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 760, Subpart J, DD's shall:

- ensure that COC's and CED's follow 2005-2007 LIP provisions
 - conduct reviews according to subparagraph 72 E, and any additional reviews established by STC or SED according to subparagraph A and B
 - provide SED with report of reviews conducted according to subparagraph 72 E
 - take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments according to subparagraph 45 E
 - closely monitor the number of third party certifications approved by COC according to subparagraph 71 F
- *--Important:** If the number of participants using third party certifications is excessive--* when compared to surrounding counties, DD shall take all necessary action to ensure that the claimed losses are reasonable and that the provision is not being abused.
- ensure that County Offices publicize program provisions according to subparagraph D.

D COC Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 760, Subpart J, COC's shall:

- fully comply with all 2005-2007 LIP provisions
- ensure that CED fully complies with all 2005-2007 LIP provisions
- review, initial, date, and document in the COC minutes all third party certifications according to subparagraph 71 F

Important: COC shall **not** delegate authority to review third party certifications to CED.

22 Responsibilities (Continued)

D COC Responsibilities (Continued)

- *--provide DD with a monthly written report of all reviews of third party certifications according to subparagraph 71 F--*
- act on completed FSA-900 for 2005-2007 LIP according to paragraph 72
- 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 2005-2007 LIP program determinations made by COC:

- all factors reviewed or considered
 - all documentation reviewed
 - references to applicable handbooks, notices, and regulations
 - all sources of information obtained for review or consideration.
- take any oversight actions necessary to ensure that IPIA provisions are met to prevent County Offices from issuing any improper payments according to subparagraph 45 E
 - ensure that producers receive complete and accurate program information

Note: Program information may be provided through the following:

- program leaflets, newsletters, and print media
 - meetings
 - radio, television, and video
 - County Office visits.
- ensure that 2005-2007 LIP general provisions and other important items are publicized as soon as possible after information is received from the National Office, including but not limited to, the following:
 - signup period
 - payment limitation
 - eligible livestock
 - basic participant eligibility criteria
 - general data required to complete application.

Note: The 2005-2007 LIP Fact Sheet may be used to provide some of the information in this subparagraph. The fact sheet is available online at <http://disaster.fsa.usda.gov>.

22 Responsibilities (Continued)

E CED Responsibilities

Within the authorities and limitations in this handbook and 7 CFR Part 760, Subpart J, CED's shall:

- fully comply with all 2005-2007 LIP provisions
- ensure that County Office employees fully comply with all 2005-2007 LIP provisions
- act on completed FSA-900 for 2005-2007 LIP according to paragraph 72

Note: CED may delegate approval authority to program technicians for routine cases where proof of death is provided according to subparagraph 71 E. Program technicians shall **not** be delegated authority to:

- disapprove any FSA-900
- approve any FSA-900 where third party certification is used to prove loss.
- ensure that all program and payment eligibility requirements have been met by producers before issuing any payment to ensure that IPIA provisions are met

Note: See subparagraph 45 E for additional information.

- handle appeals according to 1-APP
- ensure that producers receive complete and accurate program information
- immediately notify SED, through DD, of software problems and incomplete or incorrect procedures
- *--ensure that all participants receive a copy of Exhibit 7 according to paragraph 74--* when they file an application
- ensure that general provisions and other important items are publicized according to subparagraph D and copies are retained in the County Office.

22 Responsibilities (Continued)**F Program Technician Responsibilities**

Within the authorities and limitations in this handbook and 7 CFR Part 760, Subpart J, the program technician shall:

- fully comply with all 2005-2007 LIP provisions
- immediately notify CED of software problems and incomplete or incorrect procedures
- ensure that producers receive complete and accurate program information
- *--ensure that all participants receive a copy of Exhibit 7 according to paragraph 74--*
when they file an application
- ensure that all program and payment eligibility requirements have been met by producers before issuing any payment to ensure that IPIA provisions are met.

Note: See subparagraph 45 E for additional information.

23 Definitions for 2005-2007 LIP

A Definitions

The following definitions apply to 2005-2007 LIP. The definitions provided in other parts of this handbook do **not** apply to 2005-2007 LIP.

*--Adult beef bull means a male bovine animal that was at least 2 years old and used for breeding purposes before it died.

Adult beef cow means a female bovine animal that had delivered 1 or more offspring before dying. A first time bred beef heifer shall also be considered an adult beef cow if it was pregnant at the time it died.

Adult buffalo/beefalo bull means a male animal of those breeds that was at least 2 years old and used for breeding purposes before it died.

Adult buffalo/beefalo cow means a female animal of those breeds that had delivered 1 or more offspring before dying. A first time bred buffalo or beefalo heifer shall also be considered an adult buffalo/beefalo cow if it was pregnant at the time it died.

Adult dairy bull means a male dairy breed bovine animal at least 2 years old and used primarily for breeding dairy cows before it died.

Adult dairy cow means a female bovine animal used for providing milk for human consumption that had delivered 1 or more offspring before dying. A first time bred dairy heifer shall also be considered an adult dairy cow if it was pregnant when it died.

Brownout means a reduction in electric power that affects the facility.

Buck means male goat.

Catfish means catfish grown as food for human consumption by a commercial operator on private property in water in a controlled environment.

Commercial use means used in the operation of a business activity engaged in as a means of livelihood for profit by the eligible producer.

Contract means, with respect to contracts for the handling of livestock, a written agreement between a livestock owner and another individual or entity setting the specific terms, conditions, and obligations of the parties involved about the production of livestock or livestock products.

Controlled environment means an environment in which everything that can practicably be controlled by the participant with structures, facilities, and growing media (including, but not limited to, water and nutrients) and was in fact controlled by the participant at the time of disaster.--*

23 Definitions for 2005-2007 LIP (Continued)

A Definitions (Continued)

Crawfish means crawfish grown as food for human consumption by a commercial operator on private property, in water, in a controlled environment.

Disaster county means a county included in the geographic area covered by a Secretarial or *--Presidential disaster declaration between January 1, 2005, and December 31, 2007, or an--* FSA APLN, if such notice applies to a natural disaster designated by the President, including contiguous counties. See <http://disaster.fsa.usda.gov> for a list of eligible counties.

Doe means a female goat.

Eligible livestock means only certain adult and non-adult dairy cattle, beef cattle, buffalo, beefalo, equine animals, sheep, goats, swine, deer, catfish, crawfish and poultry, including egg-producing poultry, that were maintained for commercial use as part of a farming operation, that died in a disaster county during the calendar year benefits are requested as a direct result of an eligible disaster event, but no later than 60 calendar days after the ending date of the disaster period, as provided at <http://disaster.fsa.usda.gov>, but before *--December 31, 2007. See paragraph 44 for further delineation of eligible livestock by--* payment rate.

Eligible livestock owner means a person who had legal ownership of the eligible livestock on the day the livestock died and is a citizen of, or legal resident alien in, the United States. A farm cooperative, private domestic corporation, partnership, or joint operation in which a majority interest is held by members, stockholders, or partners who are citizens of, or legal resident aliens in, the United States, if such cooperative, corporation, partnership, or joint operation owned or jointly owned the eligible livestock on the day the livestock died will be considered eligible livestock owners. Any Native American tribe (as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (Pub. L. 93-638, 88 Stat. 2003)); any Native American organization or entity chartered under the Indian Reorganization Act; any tribal organization chartered under the Indian Self-Determination and Education Assistance Act; and any economic enterprise under the Indian Financing Act of 1974 may be considered an eligible livestock owner so long as they meet the terms of the definition.

23 Definitions for 2005-2007 LIP (Continued)**A Definitions (Continued)**

Eligible livestock contract grower means a person, other than the livestock owner, who possessed an independent financial interest in the eligible livestock or products derived from such livestock, as defined and limited by the terms and conditions of a contractual written agreement with the livestock owner on the day the livestock died, and is a citizen of, or legal resident alien in, the United States. A farm cooperative, private domestic corporation, partnership, or joint operation in which a majority interest is held by members, stockholders, or partners who are citizens of, or legal resident aliens in, the United States, if such cooperative, corporation, partnership, or joint operation possessed an independent financial interest, but not as owner, in the eligible livestock or products derived from such livestock on the day the livestock died will be considered an eligible livestock contract grower. Any Native American tribe (as defined in the Indian Self-Determination and Education Assistance Act, section 4(b) (Pub. L. 93-638, 88 Stat. 2003)); any Native American organization or entity chartered under the Indian Reorganization Act; any tribal organization chartered under the Indian Self-Determination and Education Assistance Act; and any economic enterprise under the Indian Financing Act of 1974 may be considered an eligible livestock contract grower so long as they meet the terms of the definition.

*--Equine animal means a domesticated horse, mule, or donkey.

Ewe means a female sheep.

Farming operation means a business enterprise engaged in producing agricultural products.

Goat means a domesticated ruminant mammal of the genus Capra, including Angora goats. Goats will be further defined by sex (bucks and does) and age (kids).--*

23 Definitions for 2005-2007 LIP (Continued)

A Definitions (Continued)

Ineligible livestock means any of the following:

- any animal produced or maintained for reasons other than commercial use as part of a farming operation, as determined by FSA, including, but not limited to, recreational purposes, such as pleasure, hunting, pets, roping, or for show
- all wild free roaming animals, as determined by FSA
- any animal not meeting the definition of eligible livestock, as determined by FSA
- any animal owned or cash leased by an ineligible livestock owner or contract grower
- all animals that died:
 - in a county other than an eligible disaster county
 - because of something other than an eligible disaster event listed at <http://disaster.fsa.usda.gov>
 - more than 60 calendar days after the end of the applicable disaster period, as provided at <http://disaster.fsa.usda.gov>
 - in a calendar year other than the calendar year for which benefits are being requested
 - *--before January 2, 2005, or after December 30, 2007.--*

Kid means a goat less than 1 year old.

Lamb means a sheep less than 1 year old.

A non-adult beef cattle means a bovine that does **not** meet the definition of adult beef cow or bull. Non-adult beef cattle are further delineated by weight categories of less than 400 pounds, and 400 pounds or more at the time they died.

Non-adult buffalo/beefalo means an animal of those breeds that do **not** meet the definition of adult buffalo/beefalo cow or bull. Non-adult buffalo/beefalo are further delineated by weight categories of less than 400 pounds, and 400 pounds or more at the time of death.

23 Definitions for 2005-2007 LIP (Continued)**A Definitions (Continued)**

*--Non-adult dairy cattle means a bovine, of a breed used for providing milk for human consumption, that does **not** meet the definition of adult dairy cow or bull. Non-adult dairy cattle are further delineated by weight categories of less than 400 pounds, and 400 pounds--* or more at the time they died.

Poultry means domesticated chickens, turkeys, ducks, and geese. Poultry will be further delineated by sex, age, and purpose of production, as determined by FSA.

Rams means male sheep.

Saltwater intrusion line means the farthest point where saltwater has entered a fresh water body as the result of rising tide levels associate with a hurricane.

--Sheep means a domesticated ruminant mammal of the genus Ovis. Sheep will be further defined by sex (rams and ewes) and age (lambs).--

Storm surge means the onshore rush of saltwater caused by the high winds associate with a land falling hurricane and secondarily by the low pressure of the storm.

Storm surge line means the farthest point the saltwater is pushed onshore by the high winds associated with a hurricane.

--Swine means a domesticated omnivorous pig, hog, or boar. Swine will be further-- delineated by sex and weight as determined by FSA.

24-40 (Reserved)

Section 2 Policy and Procedure

41 Signup Period

A 2005-2007 LIP Signup

Signup for 2005-2007 LIP begins September 10, 2007. An ending signup date has not yet been established. DAFP will announce the ending signup date in a future notice.

Important: There are **no** late-filed provisions for 2005-2007 LIP. FSA shall not refuse to accept a producer's request to file FSA-900 after the end of signup. However, *--FSA-900's submitted by participants after the end of signup shall be disapproved because they were not filed during the application period.

The application period for 2005-2007 LIP is a matter of general applicability to all participants; therefore, disapproval of FSA-900's filed after the end--* of signup is not appealable.

42 Eligibility Criteria

A Eligible Disaster Events

To be considered eligible to receive benefits under 2005-2007 LIP:

- livestock **must** have died:
 - as a direct result of an eligible disaster event, except drought, that occurred after **January 1, 2005, but before December 31, 2007, including losses because of blizzards that started in 2006 and continued into January 2007**
- **Exception:** Drought is **not** an eligible disaster event **except** when associated with anthrax, a condition that occurs because of drought and results in the death of eligible livestock.
- in a county named in a Secretarial or Presidential disaster declaration between **January 1, 2005, and December 31, 2007, or an FSA APLN, if such notice applies to a natural disaster designated by the President, including contiguous counties**
- after January 1, 2005, but before December 31, 2007
- no later than 60 calendar days from the ending date of the applicable disaster period, but before December 31, 2007
- in the calendar year for which benefits are being requested
- the disaster events that caused the livestock losses shall be the same disaster events for which a natural disaster was declared or designated.

State Offices are responsible for establishing eligibility criteria for livestock deaths because of extreme heat. STC shall ensure that COC thoroughly documents each case to ensure that:

- in fact the cause of loss was because of extreme heat
- management decisions were not the cause of loss
- the extreme heat was such an abnormality that it could reasonably cause the deaths.

Livestock deaths because of insufficient or contaminated water or feed during a drought are considered to be the result of management decisions and are not eligible for LIP.

Exception: Drought is **not** an eligible disaster event **except** when associated with anthrax, a condition that occurs because of drought and results in the death of eligible livestock.

A list of eligible counties, by disaster period and eligible disaster events, are listed at <http://disaster.fsa.usda.gov>.

42 Eligibility Criteria (Continued)

A Eligible Disaster Events (Continued)

The eligible disaster events listed at <http://disaster.fsa.usda.gov> have been further defined to include the following.

Eligible Disaster Event	Includes
Below Normal Temperatures	Cool, Cold Temperatures, Cold Wet Weather
Disease	
Excessive Heat	Heat, High Temperatures
Excessive Moisture	Excessive Rain, Flash Flooding, Flooding, Ground Saturation, Ice Jams, Landslides, Mudslides, Standing Water
Hail	
High Winds	Wind
Hurricane	*--Earthquakes, Heavy Surf, Tidal Surge, Tropical Storms,--* Typhoons
Insects	
Lightning	
Severe Storms	
Tornadoes	
Wildfire	Fire
Winter Storms	Blizzard, Freeze, Frost, Ice, Ice Storms

Note: If livestock deaths are caused by eligible disaster events that occurred in more than 1 disaster period during the applicable calendar year, livestock deaths shall be listed separately on FSA-900 by disaster period and events.

Example: County A is eligible for the following disaster periods:

- Winter Storms: March 27, 2005, through March 30, 2005
- Excessive Moisture: August 15, 2005, through August 21, 2005.

Producer A suffers livestock losses caused by disaster events that occurred during both disaster periods. Five adult beef cows died as a direct result of the disaster event that occurred during the March 27, 2005, through March 30, 2005, disaster period. Four non-adult beef cows died as a direct result of the disaster event that occurred during the August 15, 2005, through August 21, 2005, disaster period.

The 5 adult beef cows that died as a direct result of the disaster event that occurred during the March 27, 2005, through March 30, 2005, disaster period shall be recorded as a separate line entry on FSA-900 than the 4 non-adult beef cows that died as a direct result of the disaster event that occurred during the August 15, 2005, through August 21, 2005, disaster period.

See:

- subparagraph 73 A for manual completion of FSA-900
- paragraph 101 for completing FSA-900 in the automated system.

42 Eligibility Criteria (Continued)

B Eligible Livestock for Owners

To be eligible livestock for owners under 2005-2007 LIP, the livestock must meet all of the following:

- been owned by an eligible livestock owner on the day the livestock died
- been maintained for commercial use as part of a farming operation on the day the livestock died
- died in an eligible disaster county as a direct result of an eligible disaster event, as provided at <http://disaster.fsa.usda.gov>:
 - *--after January 1, 2005, but before December 31, 2007
 - no later than 60 calendar days from the ending date of the applicable disaster periods, but before December 31, 2007--*
 - in the calendar year for which benefits are being requested

Note: To be eligible for 2005-2007 LIP, the disaster events that caused the livestock deaths must be the same disaster events for which a natural disaster was declared or designated.

- been 1 of the following, as defined in paragraph 23:
 - adult or non-adult beef cattle
 - adult or non-adult beefalo
 - adult or non-adult buffalo
 - adult or non-adult dairy cattle
 - catfish
 - crawfish
 - deer
 - equine animals
 - goats
 - poultry, including egg-producing poultry
 - reindeer
 - sheep
 - swine.

Important: If an animal was pregnant at the time of death, only the pregnant animal that died is eligible for payment under 2005-2007 LIP. The unborn animal is **not** eligible livestock under 2005-2007 LIP.

42 Eligibility Criteria (Continued)

B Eligible Livestock for Owners (Continued)

See paragraph:

- 23 for definitions of eligible livestock, commercial use, and farming operation
- 44 for further delineation of eligible livestock by payment rate.

C Eligibility for Newborn or Stillborn Animals

Animals that were born at a normal full-term or near full-term shall qualify for 2005-2007 LIP if both of the following apply:

- the death was the direct cause of the eligible disaster event
- the birth produced a fully developed carcass that normally would have survived under normal weather conditions.

Note: Animals that were lost before they reached full-term or near full-term and would not normally survive under normal conditions do not qualify for 2005-2007 LIP benefits.

42 Eligibility Criteria (Continued)

D Eligible Livestock for Contract Growers

To be eligible livestock for contract growers under 2005-2007 LIP, the livestock must meet all of the following:

- been in the possession of an eligible contract grower on the day the livestock died
- been maintained for commercial use as part of a farming operation on the day the livestock died
- died in an eligible disaster county as a direct result of an eligible disaster event, as provided at <http://disaster.fsa.usda.gov>:
 - *--after January 1, 2005, but before December 31, 2007
 - no later than 60 calendar days from the ending date of the applicable disaster periods, but before December 31, 2007--*
 - in the calendar year benefits are being requested

Note: To be eligible for 2005-2007 LIP, the disaster events that caused the livestock deaths must be the same disaster events for which a natural disaster was declared or designated.

- been 1 of the following, as defined in paragraph 23:
 - poultry, including egg-producing poultry
 - swine.

See paragraph:

- 23 for definitions of eligible livestock, commercial use, and farming operation
- 44 for further delineation of eligible livestock by payment rate.

42 Eligibility Criteria (Continued)

E Ineligible Livestock

Animals **not** eligible for 2005-2007 LIP include, but are not limited to, all of the following:

- livestock produced or maintained for reasons other than commercial use as part of a farming operation, including, but not limited to, recreational purposes, such as:
 - consumption by owner
 - hunting
 - pets
 - pleasure
 - roping
 - show

Example 1: Sam Smith owns 5 horses, 2 beef steers, and 3 goats. Mr. Smith maintains the horses for pleasure riding and fox hunting, and maintains the goats as pets for his children. He maintains the beef steers to be consumed by his family. Accordingly, Mr. Smith does not maintain any of the livestock for commercial use as part of a farming operation. All of the animals died in a disaster county because of a blizzard.

Because none of Mr. Smith's livestock is maintained for commercial use as part of a farming operation, the animals are **not** eligible livestock for 2005-2007 LIP purposes.

Example 2: Joe Johnson owns 5 horses which he uses to pull hansom cabs in the tourist district of the local city. The hansom cabs are Mr. Johnson's business activity he engages in as a means of livelihood for profit.

However, because the horses are not maintained as part of a farming operation, they are not eligible livestock for 2005-2007 LIP purposes.

Example 3: Jane Black owns and raises a deer herd. Mrs. Black sells the does to a local food market to be processed into meat products. She sells the bucks to hunting preserves nationwide.

--Mrs. Black is in the business of selling deer, including the bucks that are sold to hunting preserves, as a means of livelihood for profit; therefore,-- the deer are maintained for commercial use. However, they also must be maintained as part of a farming operation.

--The County Office must determine whether Mrs. Black's deer business, including the bucks, is a farming operation. Mrs. Black must provide-- evidence to satisfy COC or CED that the deer are part of a farming operation. One indicator of being a farming operation would be whether Mrs. Black files taxes as a farming operation. The County Office cannot request Mrs. Black to provide a copy of her tax records; however, COC or CED may ask Mrs. Black how she files her taxes for the operation.

42 Eligibility Criteria (Continued)

E Ineligible Livestock (Continued)

- alpacas
- elk
- emus
- llamas
- ostriches
- pheasants
- quail
- stillborn livestock, except as provided in subparagraph C
- unborn livestock

Example: A pregnant adult beef cow died before the birth of the calf. Only the pregnant cow may be considered eligible for payment. The unborn calf is **not** eligible livestock.

- yaks
- any wild free roaming livestock, including equine and deer
- any animals not included in subparagraph A
- all animals that died:
 - in a county other than a disaster county
 - because of something other than an eligible disaster event listed at <http://disaster.fsa.usda.gov>
 - more than 60 calendar days after the applicable disaster period, as provided at <http://disaster.fsa.usda.gov>
 - *--before January 2, 2005, but after December 30, 2007--*
 - in a calendar year other than the calendar year for which benefits are being requested.

Important: Contact the National Office Livestock Assistance Program Manager, through the State Office, when the reason for livestock death is questionable.

42 Eligibility Criteria (Continued)

H Deceased Individuals and Dissolved Entities

Authority to sign contracts, applications, and other documents on behalf of an eligible participant who is now a deceased individual or is a dissolved entity may vary according to State law. If an eligible livestock owner or livestock contract grower is now a deceased individual or a dissolved entity, then an authorized representative of the deceased individual or dissolved entity may sign FSA-900 provided the authorized representative has authority to enter into a contract for the deceased individual or dissolved entity.

Important: Proof of authority to sign for the eligible deceased individual or dissolved entity must be on file in the County Office before the representative is allowed to sign FSA-900 for the participant. Proof of authority includes any of the following:

- court order
- document approved by the OGC Regional Attorney
- letter from Secretary of State.

FSA-325 is:

- only used when it is requested that a payment earned by a deceased, missing, or incompetent program participant be issued in a name other than that of the deceased, missing, or declared incompetent program participant
- not applicable for determining who may file a program application for a deceased, incompetent, or missing individual.

State Office shall consult with the OGC Regional Attorney on the following types of cases:

- documentation submitted does **not** clearly establish authority to enter into a contract or application on behalf of the deceased individual, closed estate, or dissolved entity
- application from and request for issuing payments to heirs of a deceased individual without documentation provided that establishes authority to enter into a contract or application on behalf of the deceased individual.

*--If a participant is a general partnership or joint venture that was dissolved, all members of the general partnership or joint venture at the time of dissolution, or their representatives, **must** sign separate FSA-900, Page 2's.

Note: Only one FSA-900 will be submitted for payment for the general partnership or joint venture; however, all members **must** sign FSA-900, Page 2.--*

See paragraph 45 for making payments to deceased individuals, closed estates, and dissolved entities.

43 Additional Eligibility Criteria for Catfish and Crawfish**A Eligible Catfish and Crawfish**

To be eligible for 2005-2007 LIP, catfish and crawfish must have been grown:

- as food for human consumption by a commercial operator on private property
- in water in a controlled environment.

B Determining Loss

The unit of measure for catfish and crawfish will be in pounds.

To determine the pounds of catfish or crawfish lost as a direct result of an eligible disaster event, COC and County Office will need to compare the beginning inventory immediately before the disaster to the inventory immediately after the disaster. COC shall require the producer to provide verifiable documentation to substantiate inventories.

Verifiable documentation to substantiate and determine reasonableness of inventories for:

- **crawfish** may include, but is not limited to, applicable FY sales and seeding documents
- **catfish** fingerlings or fry may include, but is not limited to, purchase receipts, chemical receipts, feed receipts, and electricity/fuel receipts.

Note: Catfish and crawfish owners shall provide, as determined by COC, other documentation needed to substantiate inventories. See subparagraph 71 G for additional documentation required for proof and reasonableness of inventory.

COC's shall ensure that losses reported by catfish and crawfish owners are a direct result of an eligible disaster events occurring during the applicable disaster periods at <http://disaster.fsa.usda.gov>. COC's shall ensure that the catfish or crawfish owner provides an explanation of the cause of loss and any documentation COC determines necessary to assist them in determining whether the loss was the result of an eligible disaster event.

43 Additional Eligibility Criteria for Catfish and Crawfish (Continued)**E Ineligible Disaster Conditions (Continued)**

The loss of catfish or crawfish because of any of the following is not considered to be the direct result of an eligible disaster event during the applicable disaster period:

- brownout
- failure of power supply
- growing environments do not completely meet the requirements of subparagraphs C and D
- collapse or failure of equipment or apparatus used in the aquacultural facility
- normal mortality
- loss from predators.

Example: Damaging weather interrupts electrical power service causing the catfish or crawfish facility's aeration equipment to fail. The loss of catfish or crawfish because of the lack of oxygen because of a failure of the aeration equipment is not eligible because natural disaster did not directly impact the catfish or crawfish.

44 Payment Rates, Limitations, and Reductions

A Funding

Because 2005-2007 LIP is fully funded, a national factor is not applicable. Payments may be issued only after regulations are published in FR.

B Payment Limitation

An \$80,000 payment limitation applies to each “person” for benefits received under 2005-2007 LIP. Determine “persons” according to 1-PL.

--If a “person” determination for the participant has:--

- already been made for the disaster year for which FSA-900 is submitted, use the same “person” determination for LIP purposes
- **not** been made for the applicable disaster year for which FSA-900 is submitted, COC shall:
 - obtain CCC-502 from the participant
 - make a “person” determination and notify participant according to 1-PL.

Notes: Actively engaged and cash-rent tenant provisions do **not** apply.

Payment limitation allocations for multi-county and combined producers will be updated in the control county for 2007 (paragraph 241).

C AGI

The AGI provisions of 1-PL are applicable. Individuals and entities exceeding \$2.5 million AGI are not eligible for payment under 2005-2007 LIP.

See 1-PL and 3-PL for policy and software provisions of AGI.

45 **General Payment Information**

A Assignments and Offsets

For 2005-2007 LIP, County Offices shall:

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

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

2005-2007 LIP payments for FSA-900's involving deceased individuals, closed estates, or dissolved entities shall be made according to the following, provided all other eligibility requirements are met.

*--

IF the participant is...	AND FSA-900 is signed by an authorized representative of the...	THEN payments shall be issued...
an individual who died before FSA-900 was filed	deceased according to subparagraph 42 H	to any of the following, as applicable, using the ID number of the participant: <ul style="list-style-type: none"> • the deceased individual • the individual's estate • name of the heirs, based on OGC determination, according to 1-CM, Part 26.
an estate that closed before FSA-900 was filed	estate according to subparagraph 42 H	
an entity that dissolved before FSA-900 was filed	dissolved entity according to subparagraph 42 H	using the ID number of the participant.
an individual who dies, is declared incompetent, or is missing after filing FSA-900		to eligible payees executing FSA-325 according to 1-CM, paragraph 779.

Note: FSA-325 is only used when it is requested that a payment earned by a deceased, missing, or incompetent program participant be issued in a name other than that of the deceased, missing, or declared incompetent program participant.--*

45 General Payment Information (Continued)

C Payment Eligibility Requirements

A participant must meet all the following for the year for which LIP benefits are requested, if not already on file, before a payment shall be issued:

- CCC-502 on file and “person” determination according to 1-PL
- AD-1026 on file according to 6-CP
- not in violation of fraud provisions, including FCIC fraud provisions, according to 1-CM and 3-PL
- compliance with:
 - AGI provisions according to 1-PL
 - controlled substance provisions according to 1-CM.

Note: See subparagraph:

- 44 B for more information about CCC-502
- D for more information about AD-1026.

County Offices shall:

- record determinations for the applicable criteria in the web-based eligibility system according to 3-PL
- *--ensure that applicable FSA-770 LIP's are completed according to Exhibit 11.--*

71 Applying for Benefits

A Filing FSA-900

To apply for 2005-2007 LIP benefits, eligible livestock owners and livestock growers shall file an automated FSA-900, found in paragraph 73, in **their administrative County Office**.

***--Note:** A minor child is eligible to file FSA-900, if all eligibility requirements are met and 1 of the following conditions exists:

- the right of majority has been conferred upon the minor by court proceedings or statute
- a guardian has been appointed to manage the minor's property, and the applicable program documents are executed by the guardian
- a bond is furnished under which a surety guarantees any loss incurred for which the minor would be liable had the minor been an adult.--*

If the county in which the livestock losses occurred is eligible for LIP for 2005, 2006, and/or 2007, and the eligible livestock owner or contract grower suffered livestock losses in more than 1 of these years, the **eligible livestock owner or contract grower shall be encouraged** to complete FSA-900 for each applicable year.

A completed FSA-900 must be signed and dated by the participant before the end of signup to be considered timely filed. There are **no** late-filed provisions for 2005-2007 LIP (paragraph 41).

See Part 3 for completing FSA-900 through the automated system.

State and County Offices shall not use unapproved forms, worksheets, applications, or other documents to obtain or collect the data required from participant to complete FSA-900 (subparagraph 21 E).

FSA-900's for 2005-2007 LIP will be based on the following:

- administrative county
- calendar year
- participant.

At any point when 1 of these items is different, it will require a separate FSA-900 to be filed.

FSA-900's shall be filed by eligible livestock owners and contract growers in **their administrative County Office**. The administrative County Office is the County Office designated by FSA to:

- handle official records
- issue payment to eligible livestock producers
- make determinations.

71 Applying for Benefits (Continued)

A Filing FSA-900 (Continued)

A livestock owner or contract grower's administrative County Office is generally the County Office where the livestock owner or contract grower's farm records are maintained. FSA does have provisions in 2-CM and 3-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.

2005-2007 LIP applications will be filed in the farm's administrative county.

*--When a participant has the same percentage share interest in multiple operations with different associated producers that are **physically located in the same county**, which is the administrative county, in the same calendar year, the total eligible livestock for all such operations shall be listed for the participant only once on FSA-900.--*

Example: Jane Jones has the following livestock interests in Castro County, Texas, which is an eligible county for calendar year 2006:

- 50-50 share owner of a beef cattle herd with Bill Green. Jane Jones and Bill Green, as individuals, each have a 50 percent interest in 100 head of beef cattle; 10 adult beef cows meet the eligibility requirements
- 50-50 share owner of a beef cattle herd with Mary Blue. Jane Jones and Mary Blue, as individuals, each have a 50 percent interest in 150 head of beef cattle; 16 adult beef cows meet the eligibility requirements
- 50-25-25 share owner of a beef cattle herd with Bob Black and Mike White. Jane Jones, Bob Black, and Mike White have a 50-25-25 percent interest, respectively, in the 300 beef cattle; 21 adult beef cows meet the eligibility requirements.

72 Acting on FSA-900

A Approving FSA-900

COC or CED must act on all completed and signed FSA-900's submitted.

Exception: Only COC has authority to act on (approve or disapprove) FSA-900's submitted that use third party certification as proof of loss.

Note: CED may delegate approval authority to program technicians for routine cases where proof of death is provided according to subparagraph 71 E. Program technicians shall **not** be delegated authority to:

- disapprove any FSA-900
- approve any FSA-900 where third party certification is used to prove loss.

Important: DD review of initial applications must be completed according to subparagraph E before applications may be approved or disapproved.

--FSA-900 shall be approved or disapproved as certified by the participant. When more-- than 1 type of livestock is claimed, FSA-900 shall be approved or disapproved based on all livestock claimed. **Certain livestock cannot be approved and other livestock disapproved on the same FSA-900.**

Example: Jim Brown executes FSA-900 that includes 10 adult beef cows that meet the livestock eligibility requirements and 5 horses that do not meet the livestock eligibility requirements. FSA-900 shall be disapproved because **some** of the livestock claimed are **not** eligible.

*--**Note:** In this case, County Office shall make every effort possible to notify participant of action taken to provide the participant the opportunity to submit a revised FSA-900 before the end of signup.--*

72 Acting on FSA-900 (Continued)

A Approving FSA-900 (Continued)

Before approving FSA-900, COC or CED **must**:

- ensure that **all** program eligibility requirements are met
- be satisfied with **all** the following:
 - claimed livestock deaths occurred:
 - in an eligible disaster county
 - ***--after January 1, 2005, and before December 31, 2007**
 - no later than 60 calendar days from the ending date of the applicable disaster periods, but before December 31, 2007--*
 - as a direct result of an eligible disaster events as provided at **<http://disaster.fsa.usda.gov>**
 - in the calendar year benefits are being requested
 - reasonableness of the claimed livestock deaths
 - proof of death provided is verifiable
 - documentation of livestock inventory when the deaths occurred, if applicable, is verifiable
 - third party certifications, if applicable, meet all requirements according to subparagraph 71 F
 - all signature requirements are met.

Note: See subparagraph B when:

- ***--COC or CED questions any data provided by participant--***
- disapproving FSA-900.

73 FSA-900, 2005/2006/2007 Livestock Indemnity Program (Continued)

A Completing Manual FSA-900 (Continued)

Item	Description of Entry
13	<p>Enter livestock kind, type, and weight range.</p> <p>Notes: Livestock by kind, type, and weight range can be obtained from the local FSA office or 2005-2007 LIP Fact Sheet located at http://disaster.fsa.usda.gov.</p> <p>If a livestock producer suffers eligible livestock losses caused by eligible disaster events that occurred in more than 1 disaster period during the calendar year, the livestock lost shall be entered by kind, type, and weight range on separate FSA-900, Page 2's to correspond with the disaster events that caused the livestock deaths.</p> <p>Example: County A is eligible for the following disaster periods:</p> <ul style="list-style-type: none"> • March 27, 2005, through March 30, 2005 • August 15, 2005, through August 21, 2005. <p>*--The participant suffers livestock losses caused by disaster--* events that occurred during both disaster periods. Five adult beef cows died as a direct result of the disaster event that occurred during the March 27, 2005, through March 30, 2005, disaster period. Four adult beef cows died as a direct result of the disaster event that occurred during the August 15, 2005, through August 21, 2005, disaster period.</p> <p>The 5 adult beef cows that died as a direct result of the disaster event that occurred during the March 27, 2005, through March 30, 2005, disaster period shall be entered on one FSA-900, Page 2 by kind, type, and weight range, and the 4 adult beef cows that died as a direct result of the disaster event that occurred during the August 15, 2005, through August 21, 2005, disaster period shall be entered on another FSA-900, Page 2, by kind, type, and weight range.</p>
14	<p>Enter the number of livestock in inventory on the beginning date of the applicable disaster periods in item 10 for the livestock entered in item 13.</p>

73 FSA-900, 2005/2006/2007 Livestock Indemnity Program (Continued)

A Completing Manual FSA-900 (Continued)

Item	Description of Entry
15	<p>Enter the number of livestock that died because of an eligible disaster event in item 11.</p> <p>Notes: Livestock must have died after January 1, 2005, and before *--December 31, 2007, but no later than 60 calendar days from the ending date--* of the disaster periods in item 10.</p> <p>If a livestock producer suffers eligible livestock losses caused by eligible disaster events that occurred in more than 1 disaster period during the calendar year, the number of livestock lost shall be entered by the applicable kind, type, and weight range on separate FSA-900, Page 2's to correspond with the disaster event that caused the loss.</p> <p>Example: County A is eligible for the following disaster periods:</p> <ul style="list-style-type: none"> • March 27, 2005, through March 30, 2005 • August 15, 2005, through August 21, 2005 <p>The participant suffers livestock losses caused by disaster events that occurred during both disaster periods. Five adult beef cows died as a direct result of the disaster event that occurred during the March 27, 2005, through March 30, 2005, disaster period. Four non-adult beef cows died as a direct result of the disaster event that occurred during the August 15, 2005, through August 21, 2005, disaster period.</p> <p>The 5 adult beef cows that died as a direct result of the disaster event that occurred during the March 27, 2005, through March 30, 2005, disaster period shall be entered on one FSA-900, Page 2 by kind, type, and weight range, and the 4 non-adult beef cows that died as a direct result of the disaster event that occurred during the August 15, 2005, through August 21, 2005, disaster period shall be entered on another FSA-900, Page 2, by kind, type, and weight range.</p>
16	<p>Enter the participant's ownership or contract grower share in the livestock entered in item 13.</p> <p>Note: Complete item 16 for each FSA-900, Page 2, when eligible livestock losses are caused by eligible disaster events that occurred in more than 1 disaster period during the calendar year.</p>
PART D – Amounts Received for Same or Similar Loss	
17	<p>Enter the amount of monetary compensation received by the participant from their contractor for the loss of income suffered from the death of the livestock under contract (for contract growers only).</p>
18	<p>Enter amount of prior 2005 LIP payments and/or 2005 Aquaculture Grant Program payments. Only applicable for 2005 disaster year.</p>

73 FSA-900, 2005/2006/2007 Livestock Indemnity Program (Continued)

A Completing Manual FSA-900 (Continued)

Item	Description of Entry
PART E – Producer Certification	
19A and 19B	<p>*--After reading the certification, participant signs and dates.</p> <p>Note: Participant shall sign and date each completed FSA-900, Page 2, and--* attach to FSA-900, Page 1, when eligible livestock losses are caused by eligible disaster events that occurred in more than 1 disaster period during the calendar year.</p>
PART F – County Committee Determination	
20	<p>Enter COC signature.</p> <p>Note: COC shall sign each FSA-900, Page 2 when eligible livestock losses are caused by eligible disaster events that occurred in more than 1 disaster period during the calendar year.</p>
21	<p>Enter date of COC action.</p> <p>Note: COC shall date the action taken on each FSA-900, Page 2 when eligible livestock losses are caused by eligible disaster events that occurred in more than 1 disaster period during the calendar year.</p>
22	<p>Enter a check in “approved” or “disapproved” box.</p> <p>Note: COC shall indicate action on each FSA-900, Page 2 when eligible livestock losses are caused by eligible disaster events that occurred in more than 1 disaster period during the calendar year.</p> <p>Important: FSA-900 shall be approved or disapprove as certified by the *--participant. When more than 1 type of livestock is--* claimed, or more than one FSA-900, Page 2 is required to be completed, FSA-900 shall be approved or disapproved based on all livestock claimed. Certain livestock cannot be approved and other livestock disapproved on same FSA-900.</p>

73 FSA-900, 2005/2006/2007 Livestock Indemnity Program (Continued)

B Example of FSA-900

The following is an example of FSA-900.

*--

<p>This form is available electronically.</p> <p>FSA-900 U.S. DEPARTMENT OF AGRICULTURE (01-10-08) Farm Service Agency</p> <p style="text-align: center;">2005/2006/2007 LIVESTOCK INDEMNITY PROGRAM</p>				1. State and County Code	2. Disaster Year
		3. County Office Name	4. Application Date		
<p>NOTE: The authority for collecting the following information is Pub. L. 110-28. This authority allows for the collection of information without prior OMB approval mandated by the Paperwork Reduction Act of 1995. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.</p> <p>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a). The authority for requesting the following information is Public L. 110-28, U.S. Troop Readiness, Veterans' Care Katrina Recovery, and Iraq Accountability Appropriations Act, 2007. The information will be used to determine eligibility for program benefits. Failure to furnish the requested information will result in denial of program benefits. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal or to other requests for information. The provisions of criminal and civil fraud statutes, including 18 USC 286, 371, 641, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</p>					
PART A – PRODUCER INFORMATION					
5. Producer's Name and Address (City, State and Zip Code)				6. ID Number (Last 4 Digits)	
<p>Payments under the 2005/2006/2007 Livestock Indemnity Program will be made with respect to certain livestock deaths that occurred as a direct result of a natural disaster event, except drought, and including anthrax in a primary or contiguous county designated under a Presidential or Secretarial declaration or Administrator's Physical loss notice. Each producer must file a separate form FSA-900 to be eligible to receive program benefits. By signing this application, the producer:</p> <ol style="list-style-type: none"> (1) Agrees to provide FSA any documentation it requires to determine eligibility that verifies and supports all information provided, including the producer's certification, and understands the application may be disapproved if they fail to provide any such information requested by FSA; (2) Authorizes FSA, at any time, with or without their presence, to enter upon, inspect and verify all livestock, livestock deaths, and acreage in which they have an interest; (3) Agrees to comply with, and acknowledges they are subject to, all the regulations governing the program and understands that instructions and assistance are available for completing this form; (4) Authorizes FSA to obtain from third parties, such as, but not limited to, other government agencies, individuals, auction barns, contractors or processors, and rendering services, any records or other evidence that substantiates the information provided on this application or any supporting documentation provided; and (5) Understands that this application may be disapproved if information or evidence provided is false or in error, and that other sanctions or penalties could apply. 					
PART B – LIVESTOCK LOCATION AND ASSOCIATED PRODUCER INFORMATION					
7. Where were the claimed livestock physically located at the time they Perished? (Include County name, farm number, etc.)			8. Where is the current physical location of the livestock in inventory?		
9. Associated Producers (List all other producers that have an ownership share of any livestock listed in Item 13 and indicated their share):					
<p>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of Discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.</p>					

--*

73 FSA-900, 2005/2006/2007 Livestock Indemnity Program (Continued)

B Example of FSA-900 (Continued)

*--

FSA-900 (01-10-08)		Page 2			
PART C – LIVESTOCK INFORMATION					
10. Disaster Period			11. Disaster Event(s)		
12. Contract:		13. Livestock Kind/Type and Weight Range	14. Disaster Period Beginning Head Count	15. Claimed Lost Head Count	16. Share
YES	NO				
<input type="checkbox"/>	<input type="checkbox"/>				
<input type="checkbox"/>	<input type="checkbox"/>				
<input type="checkbox"/>	<input type="checkbox"/>				
PART D – AMOUNTS RECEIVED FOR SAME OR SIMILAR LOSS					
17. Other Compensation (Contract Grower Only) \$					
18. Reduction (2005 Only) \$					
PART E – PRODUCER CERTIFICATION					
<i>I certify that:</i>					
<ol style="list-style-type: none"> 1. On the day they perished, I owned or was a contract grower of all livestock entered on this application and physically maintained control of all such livestock on that date on my farm for commercial use as part of my farming operation; 2. All livestock entered as lost on this application perished during the disaster year in Item 2 as a direct result of an eligible disaster event(s) no later than 60 days from the ending dates of such disaster period(s) provided in Item 10 in the county provided in Item 7, and that all losses occurred after January 1, 2005, and before December 31, 2007; 3. I understand all livestock entered on this application meet all the livestock eligibility criteria provided in 7 CFR Part 760 Subpart J, including being maintained for commercial use as part of my farming operation; and 4. All information on this application and all supporting documents I provided is true and correct. 					
19A. Producer's Signature				19B. Date (MM-DD-YYYY)	
PART F – COUNTY COMMITTEE DETERMINATION					
20. COC or Designee Signature			21. Date (MM-DD-YYYY)	22. Determination	
				<input type="checkbox"/> Approved <input type="checkbox"/> Disapproved	

--*

74 Spot Checks

A Informing Producers

Spot checks are performed to:

- *--verify the accuracy of the data certified by the participant on FSA-900--*
- ensure that all eligibility requirements were met
- determine whether correct payments were issued.

Exhibit 7 provides a list of:

- data elements that may be spot-checked for 2005-2007 LIP
- *--documents or other data that may be requested from participants selected for spot--* check.

County Offices shall:

- not modify Exhibit 7
- reproduce copies of Exhibit 7 locally
- *--provide a copy of Exhibit 7 to each participant when FSA-900 is submitted for--* 2005-2007 LIP.

Note: Procedure for conducting spot checks will be provided in a future amendment. County Offices shall **not** conduct any spot checks until procedure is issued from the National Office.

75-99 (Reserved)

Part 4 2005-2007 LCP

Section 1 Basic 2005-2007 LCP Information

140 General Information

A Purpose

This part provides instructions for administering 2005-2007 LCP.

2005-2007 LCP provides monetary assistance to eligible livestock owners and cash lessees, but not both for the same livestock, for certain types of livestock for feed losses and *--increased feed costs that occurred between January 1, 2005, and December 31, 2007, in--* eligible disaster counties as a direct result of an eligible disaster event, including losses because of blizzards that started in 2006 and continued into January 2007.

Livestock producers may elect to receive compensation for losses in the calendar year 2007 grazing season that are attributable to wildfires occurring during the applicable period, as determined by the Secretary.

Note: Monetary assistance provided under 2005-2007 LCP is **not** required to be used by the payee for any specific purpose.

B Source of Authority

The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Pub. L. 110-28) authorizes the Secretary of Agriculture to use such sums as necessary to remain available, until expended, to provide assistance to certain eligible livestock owners and cash lessees, but **not** both for the same livestock.

--The Department of State, Foreign Operations, and Related Programs Appropriations Action, 2008, amends Pub. L. 110-28, by extending assistance to certain eligible livestock owners and cash lessees, for certain types of livestock for feed losses and increased feed costs that occurred on or after February 28, 2007, but before December 31, 2007.--

The regulations for 2005-2007 LCP are provided in 7 CFR Part 760, Subparts K and L.

C Public Information

Follow instructions in 2-INFO for providing information about 2005-2007 LCP.

D Modifying Provisions

Provisions in this handbook shall **not** be revised without prior approval from the National Office. Requests for revisions shall be addressed to the Livestock Assistance Program Manager, through the Deputy Administrator.

140 General Information (Continued)

E Forms

Forms, worksheets, applications and other documents other than those provided in this *--handbook or issued by the National Office shall not be required for implementing the 2005-2007 LCP.

Any document that collects data from a participant, regardless of whether the participant's signature is required:

- is subject to the Privacy Act and information collection procedures
- requires clearance by the following offices:--*
 - National Office program area
 - MSD, Forms and Graphics Section
 - OMB.

* * *

F Related Handbooks

See Part 1 for handbooks related to 2005-2007 LCP.

142 Definitions for 2005-2007 LCP

A Definitions

The following definitions apply to 2005-2007 LCP. The definitions provided in other parts of this handbook do **not** apply to 2005-2007 LCP.

*--Adult beef bull means a male beef bovine animal that was at least 2 years old and used for breeding purposes on the beginning date of the applicable disaster period as provided at <http://disaster.fsa.usda.gov>.

Adult beef cow means a female beef bovine animal that had delivered 1 or more offspring before the beginning date of the applicable disaster as provided at <http://disaster.fsa.usda.gov>. A first time bred beef heifer shall also be considered an adult beef cow if it was pregnant on the beginning date of the applicable disaster period as provided at <http://disaster.fsa.usda.gov>.

Adult buffalo/beefalo bull means a male animal of those breeds that was at least 2 years old and used for breeding purposes on the beginning date of the applicable disaster period as provided at <http://disaster.fsa.usda.gov>.

Adult buffalo/beefalo cow means a female animal of those breeds that had delivered 1 or more offspring before the beginning date of the applicable disaster period as provided in <http://disaster.fsa.usda.gov>. A first time bred buffalo/beefalo heifer shall also be considered an adult buffalo/beefalo cow if it was pregnant on the beginning date of the applicable disaster period as provided at <http://disaster.fsa.usda.gov>.

Adult dairy bull means a male dairy bovine breed animal at least 2 years old used primarily for breeding dairy cows on the beginning date of the applicable disaster period as provided at <http://disaster.fsa.usda.gov>.

Adult dairy cow means a female bovine animal used for the purpose of providing milk for--* human consumption, that had delivered 1 or more offspring before the beginning date of the applicable disaster period as provided at <http://disaster.fsa.usda.gov>. A first time bred dairy heifer shall also be considered an adult dairy cow if it was pregnant on the beginning date of the applicable disaster period as provided at <http://disaster.fsa.usda.gov>.

Commercial use means used in the operation of a business activity engaged in as a means of livelihood for profit by the eligible producer.

Disaster county means a county included in the geographic area covered by a Secretarial or *--Presidential disaster declaration between January 1, 2005, and December 31, 2007, or an--* FSA APLN, if such notice applies to a natural disaster designated by the President, including contiguous counties. See <http://disaster.fsa.usda.gov> for a list of eligible counties.

142 Definitions for 2005-2007 LCP (Continued)

A Definitions (Continued)

Eligible livestock means only certain adult and non-adult dairy cattle, beef cattle, buffalo, beefalo, equine, sheep, goats, deer, elk, swine, reindeer and poultry, including egg-producing poultry that on the beginning date of the applicable disaster period were all of the following:

- *--physically located in an eligible disaster county
- maintained for commercial use as part of the participant's farming operation
- owned or cash leased
- not have been produced or maintained for reasons other than commercial use as part of a farming operation.--*

Note: See paragraph 164 for delineation of eligible livestock by payment rate.

Eligible livestock producer means an owner or cash lessee, but not both for the same livestock, of eligible livestock on the beginning date of the applicable disaster period, and is a citizen of, or legal resident alien in, the United States. A farm cooperative, private domestic corporation, partnership, or joint operation in which a majority interest is held by members, stockholders, or partners who are citizens of, or legal resident aliens in, the United States, if such cooperative, corporation, partnership or joint operation owned, jointly owned or cash leased eligible livestock on the beginning date of the applicable disaster period will be considered eligible livestock producers. Any Native American tribe (as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (Pub. L. 93-638, 88 Stat. 2003)); any Native American organization or entity chartered under the Indian Reorganization Act; any tribal organization chartered under the Indian Self-Determination and Education Assistance Act; and any economic enterprise under the Indian Financing Act of 1974 may be considered eligible livestock producers so long as they meet the terms of the definition.

*--Equine animal means a domesticated horse, mule, or donkey.

Farming operation means a business enterprise engaged in producing agricultural products.

Goat means a domesticated ruminant mammal of the genus Capra, including Angora goats.--*

142 Definitions for 2005-2007 LCP (Continued)

A Definitions (Continued)

Ineligible livestock means any of the following:

- *--livestock that were or would have been in a feedlot regardless of whether there was a disaster; or where such livestock were in a feedlot as part of a participant's normal business operation
- any animal produced or maintained for reasons other than commercial use as part of a farming operation, as determined by FSA, including, but not limited to, recreational purposes, such as pleasure, hunting, pets, roping, or for show
- any wild free roaming livestock, as determined by FSA, including horses and deer
- any animal not meeting the definition of eligible livestock, as determined by FSA
- any animal owned or cash leased by an ineligible livestock producer
- all animals not physically located in an eligible disaster county on the beginning date of the applicable disaster period
- all beef and dairy cattle, buffalo, and beefalo that weighed less than 500 pounds on the beginning date of the disaster period.

Non-adult beef cattle means a bovine animal that weighed 500 pounds or more on the beginning date of the applicable disaster period, as provided at <http://disaster.fsa.usda.gov>, but does not meet the definition of an adult beef cow or bull.

Non-adult buffalo/beefalo means an animal of those breeds that weighed 500 pounds or more on the beginning date of the applicable disaster period, as provided at <http://disaster.fsa.usda.gov>, but do not meet the definition of an adult buffalo/beefalo cow or bull.

Non-adult dairy cattle means a bovine livestock, of a breed used for the purpose of providing milk for human consumption, that weighed 500 pounds or more on the beginning date of the applicable disaster period, as provided at <http://disaster.fsa.usda.gov>, but does not meet the definition of an adult dairy cow or bull.

Poultry means domesticated chicken, turkey, duck, or goose. Poultry will be further delineated by sex, age, and purpose of production, as determined by FSA.

Swine means a domesticated omnivorous pig, hog, and boar. Swine will be further delineated by sex and weight as determined by FSA.

Sheep means a domesticated ruminant mammal of the genus *Ovis*.--*

143-160 (Reserved)

Section 2 Policy and Procedure

161 Signup Period

A 2005-2007 LCP Signup

Signup for 2005-2007 LCP begins September 10, 2007. An ending signup date has not yet been established. DAFP will announce the ending signup date in a future notice.

Important: There are **no** late-filed provisions for 2005-2007 LCP. FSA shall not refuse to accept a participant's request to file FSA-901 after the end of signup. However, FSA-901's submitted by participants after the end of signup shall be disapproved because they were not filed during the application period.

The application period for 2005-2007 LCP is a matter of general applicability to all participants; therefore, disapproval of FSA-901's filed after the end of signup is not appealable.

162 Eligibility Criteria**A Eligible Disaster Events**

To be considered eligible to receive benefits under 2005-2007 LCP:

•*--livestock feed losses or an increase in feed costs must have occurred:

- because of an eligible disaster event that occurred between January 1, 2005, and December 31, 2007, including losses:
 - because of blizzards that started in 2006 and continued into January 2007
 - in calendar year 2007 grazing season that are attributable to wildfires occurring during the applicable period, as determined by the Secretary
- in a county named in a Secretarial or Presidential disaster declaration between January 1, 2005, and December 31, 2007, or an FSA APLN, if such notice applies to a natural disaster designated by the President, including contiguous counties
- after January 1, 2005, and before December 31, 2007
- in the calendar year for which benefits are being requested
- the feed lost or an increase in feed costs must have been only for feed for the claimed eligible livestock
- the disaster events that caused the feed losses or an increase in feed costs shall be the--* same disaster events for which a natural disaster was declared or designated.

A list of eligible counties, by disaster period and eligible disaster events, are listed at <http://disaster.fsa.usda.gov>.

162 Eligibility Criteria (Continued)

A Eligible Disaster Events (Continued)

The eligible disaster events listed at <http://disaster.fsa.usda.gov> have been further defined according to this table to include the following.

Eligible Disaster Event	Includes
Below Normal Temperatures	Cool, Cold Temperatures, Cold Wet Weather
Disease	
Drought	
Excessive Heat	Heat, High Temperatures
Excessive Moisture	Excessive Rain, Flash Flooding, Flooding, Ground Saturation, Ice Jams, Landslides, Mudslides, Standing Water
Hail	
High Winds	Wind
Hurricane	*--Earthquakes, Heavy Surf, Tidal Surge, Tropical--* Storms, Typhoons
Insects	
Lightning	
Severe Storms	
Tornadoes	
Wildfire	Fire
Winter Storms	Blizzard, Freeze, Frost, Ice, Ice Storms

162 Eligibility Criteria (Continued)

B Eligible Livestock

*--Eligible livestock for 2005-2007 LCP must meet **all** of the following criteria to be eligible:

- be adult and non-adult beef cattle, adult and non-adult beefalo, adult and non-adult buffalo, adult and non-adult dairy cattle, deer, elk, equine, goats, poultry, reindeer, sheep, or swine
- have been physically located in an eligible disaster county on the beginning date of the eligible disaster county's disaster period

Note: See exception in subparagraph F.

- have been maintained for commercial use as part of the producer's farming operation on the beginning date of the disaster period
- not have been produced or maintained for reasons other than commercial use as part of the producer's farming operation.

Note: Eligible disaster counties and disaster periods are provided at <http://disaster.fsa.usda.gov>.

Important: Mitigated livestock, livestock that were sold or died after the beginning date of the applicable disaster period as a direct result of the applicable disaster event associated to the applicable disaster period are still eligible livestock for 2005-2007 LCP, if the livestock meet the requirement of this subparagraph and the definitions in paragraph 142.--*

Proof of sale or death of livestock shall be required if selected for spot check.

Example: On the beginning date of the flood, John Smith owned 100 head of adult beef cows he maintained for commercial use as part of a farming operation. The adult beef cows were physically located in Matagorda County, Texas, on September 23, 2005. Shortly after September 23, 2005, Mr. Smith sold 15 of the adult beef cows. The 15 sold cows are eligible livestock for 2005 LCP, provided all other eligibility requirements are met. Proof of sale shall be required if Mr. Smith's application is selected for spot check.

See paragraph:

- 142 for definitions of eligible livestock, commercial use, and farming operation
- 164 for further delineation of eligible livestock by payment rate.

162 Eligibility Criteria (Continued)

C Ineligible Livestock

*--Livestock that are **not** eligible for 2005-2007 LCP include, but are **not** limited to the--* following:

- livestock produced or maintained for reasons other than commercial use as part of a farming operation, including, but not limited to, recreational purposes, such as:
 - consumption by the owner
 - hunting
 - pets
 - pleasure
 - roping
 - show

Example 1: Mike Jones owns 5 horses, 2 beef steers, and 3 goats. Mr. Jones maintains the horses for pleasure riding and fox hunting, and maintains the goats as pets for his children. He maintains the beef steers to be consumed by his family. Accordingly, Mr. Jones does not maintain any of the livestock for commercial use as part of a farming operation.

Because none of Mr. Jones' livestock is maintained for commercial use as part of a farming operation, the animals are **not** eligible livestock for 2006 LCP.

Example 2: Joe Smith owns 5 horses which he uses to pull hansom cabs in the tourist district of the local city. The hansom cabs are Mr. Smith's business activity he engages in as a means of livelihood for profit.

However, because the horses are not maintained as part of a farming operation, they are not eligible livestock for 2005-2007 LCP.

162 Eligibility Criteria (Continued)

C Ineligible Livestock (Continued)

Example 3: Jane Black owns and raises a deer herd. Mrs. Black sells the does to a local food market to be processed into meat products. She sells the bucks to hunting preserves nationwide.

Mrs. Black is in the business of selling deer as a means of livelihood for profit; therefore, the deer are maintained for commercial use. However, they also must be maintained as part of a farming operation.

The County Office must determine whether Mrs. Black's deer business is a farming operation. Mrs. Black must provide evidence to satisfy COC or CED that the deer are part of a farming operation. One indicator of being a farming operation would be whether Mrs. Black files taxes as a farming operation. The County Office cannot request Mrs. Black to provide a copy of her tax records; however, COC or CED may ask Mrs. Black how she files her taxes for the operation.

- emus
- yaks
- ostriches
- llamas
- all beef and dairy cattle, and buffalo and beefalo that weighed less than 500 pounds on the beginning date of the applicable disaster period, as provided at <http://disaster.fsa.usda.gov>
- any wild free roaming livestock, including horses and deer
- any animals not included in subparagraph B.

162 Eligibility Criteria (Continued)

***--D Livestock Located in Feed Lots**

Livestock that were or would have been physically located in a feedlot after a disaster are **not** eligible for 2005-2007 LCP. This includes, but is **not** limited to, livestock that were physically located in a feedlot:

- on the beginning date of an eligible disaster period or placed in a feedlot after the beginning date of an eligible disaster period for the purpose of fattening for slaughter as part of producer's normal operation
- as part of a livestock producer's normal course of business before the livestock reached their normal selling or fattening weight.

Example 1: John Smith owns 500 head of non-adult beef cattle weighing an average of 750 pounds each. Mr. Smith's operation is physically located in County A, an eligible disaster county. The beginning date of County A's disaster period was January 1, 2006. Mr. Smith placed the 500 head of non-adult beef cattle in Lucky 7 Feedlot, Inc., located in County A, on January 1, 2006, for the purpose of fattening for slaughter. The 500 head of non-adult beef cattle owned by Mr. Smith are **not** eligible for LCP because they were placed in the feedlot for the purpose of fattening for slaughter as part of his normal operation.

Example 2: Judy Jones owns 750 head of non-adult beef cattle weighing an average of 500 pounds each. Ms. Jones' operation is physically located in County A, an eligible disaster county. The beginning date of County A's disaster period was March 1, 2006. The normal grazing period for native pasture in County A is May 1 through November 15. Ms. Jones, as part of her normal business operation, placed the 750 head of non-adult beef cattle in Rafter 3 Feedlot, located in County A, on March 20, 2006. The 750 head of non-adult beef cattle owned by Ms. Jones are **not** eligible for LCP because they were placed in the feedlot as part of Ms. Jones' normal business operation and **not** because of an eligible disaster event.

Note: Eligible livestock placed in a feedlot earlier than normal because of an eligible disaster event may be eligible for 2005-2007 LCP if all other eligibility requirements are met.--*

162 Eligibility Criteria (Continued)

***--D Livestock Located in Feed Lots (Continued)**

Example 3: Jim Black owned 500 head of non-adult beef cattle weighing an average of 500 pounds each on March 1, 2006. Mr. Black's operation is physically located in County A, an eligible disaster county. The beginning date of County A's disaster period was March 1, 2006. Mr. Black normally removes the 500 head of non-adult beef cattle from the 1,000 acres of native pasture he owns and places them in Lucky 7 Feedlot, Inc., located in County A, when they reach 750 pounds for the purpose of fattening for slaughter. Because of drought, Mr. Black ran out of native pasture and was forced to place the 500 head of non-adult beef cattle in the feedlot on March 1, 2006, before they reached the weight of 750 pounds.

The 500 head of non-adult beef cattle placed in the feedlot earlier than normal because of unavailable feed because of the eligible disaster event are eligible for LCP. The additional feed cost to get the 500 head of non-adult beef cattle to the weight of 750 pounds (weight normally placed in feed lot) would be an eligible feed cost. Feed fed to the livestock after they reach the weight of 750 pounds would **not** be an eligible feed cost under LCP.--*

E Eligible Livestock Producers

An eligible livestock producer for 2005-2007 LCP is one who meets **all** of the following:

- *--had eligible livestock physically located in an eligible disaster county on the beginning date of the county's disaster period--*
- had legal ownership of or cash leased, but not both for the same livestock, eligible livestock on the beginning date of the applicable disaster periods, as provided at <http://disaster.fsa.usda.gov>
- *--suffered any of the following:
 - grazing loss on eligible grazing lands physically located in an eligible disaster county where the forage was damaged or destroyed by an eligible disaster event and intended for use as feed for the participant's eligible livestock
 - a loss of feed from forage or feed stuffs physically located in an eligible disaster county that was mechanically harvested and intended for use as feed for the participant's eligible livestock that was damaged or destroyed after harvest by an eligible disaster event--*

162 Eligibility Criteria (Continued)

E Eligible Livestock Producers (Continued)

- *--a loss of feed from purchased forage or feed stuffs physically located in an eligible disaster county that was intended for use as feed for the participant's eligible livestock that was damaged or destroyed after harvest by an eligible disaster event
- increased feed costs incurred in an eligible disaster county because of an eligible disaster event to feed for the participant's eligible livestock--*
- is 1 of the following:
 - a citizen of, or legal resident alien in, the United States, including a farm cooperative, private domestic corporation, partnership, or joint operation in which a majority interest is held by members, stockholders, or partners who are citizens of, or legal resident aliens in, the United States, if such cooperative, corporation, partnership, or joint operation owned, jointly owned, or cash leased the livestock on the beginning date of the applicable disaster period
 - any Native American tribe as defined in the Indian Self-Determination and Education Assistance Act
 - any Native American organization or entity chartered under the Indian Reorganization Act
 - any economic enterprise under the Indian Financing Act of 1974.

The following are **not** eligible livestock producers for 2005-2007 LCP benefits:

- a foreign person, as determined according to 1-PL

Note: A foreign person is not eligible even if the requirements of the foreign person rule are met.

- any individual or entity that did **not** have legal ownership of or cash leased the eligible livestock on the beginning date of the applicable disaster period, as provided at <http://disaster.fsa.usda.gov>
- any individual or entity that did not suffer an eligible feed loss, determined according to *--subparagraph F, because of an eligible disaster event at <http://disaster.fsa.usda.gov>--*

162 Eligibility Criteria (Continued)

***--F Eligible Feed Loss and Increased Feed Costs**

To be an eligible feed loss for 2005-2007 LCP, the feed lost **must** have been 1 of the following:

- a grazing loss on eligible grazing land physically located in an eligible disaster county, where the forage was damaged or destroyed by an eligible disaster event, and intended for use as feed for the participant's eligible livestock
- a loss of feed from forage or feedstuffs physically located in an eligible disaster county, that was **mechanically harvested** and intended for use as feed for the participant's eligible livestock, that was **damaged or destroyed after harvest** because of an eligible disaster event
- a loss of feed from purchased forage or feedstuffs physically located in an eligible disaster county, intended for use as feed for the participant's eligible livestock, that was damaged or destroyed by an eligible disaster event
- increased feed costs incurred in the eligible disaster county, because of an eligible disaster event, to feed the participant's eligible livestock.

Increased feed costs may include the following:

- an **increase in the price** of a **specific type** of feed that is purchased by a participant, as a part of a participant's normal business operation, to feed the participant's eligible livestock, and the **increase in price** is because of an eligible disaster event

Note: The determination has been made that the increase in the price of corn for 2005-2007 is because of an increase in demand for using corn in producing ethanol, and other by products, and **not** because of any 1 eligible disaster event, thus is **not** eligible to be considered as an increased feed cost.--*

162 Eligibility Criteria (Continued)

***--F Eligible Feed Loss and Increased Feed Costs (Continued)**

- the **cost of additional feed purchased**, above what is normally purchased by a participant, as a part of a participant's normal business operation, to feed the participant's eligible livestock because of an eligible disaster event.

Note: Eligible increased feed costs may include increased feed costs that are determined to be associated with and caused by an eligible disaster event, provided the feed was purchased and paid for by the eligible participant **before** the beginning of the subsequent year's grazing period.

See paragraph 166 to determine the value of lost feed and increased feed costs.

Exception: Livestock feed, intended for use as feed for eligible livestock, that is physically located in other eligible disaster counties, may be considered in determining the value of a livestock producer's feed loss (including increased feed costs), if **all** of the following are true:

- the livestock were physically located in an eligible disaster county on the beginning date of the eligible county's disaster period
- it is part of the livestock producer's normal operation to move the livestock to the other eligible county during the calendar year of the disaster
- **all** other eligibility requirements are met.--*

162 Eligibility Criteria (Continued)

***--F Eligible Feed Loss and Increased Feed Costs (Continued)**

The livestock producer shall provide documentation to the administrative County Office to satisfy COC that it is a normal part of the livestock producer's business operation to move livestock to another eligible county during the calendar year of the disaster. Documentation to support that it is part of the livestock producer's normal business operation to move livestock to another eligible county may include, but is **not** limited to the following:

- copy of grazing lease
- copy of deed showing land ownership when a farm record has **not** been established
- signed statement from the lessor, if the lease is a verbal lease, outlining the terms and conditions of the grazing lease agreement
- documentation that supports transportation cost of hauling livestock to grazing lands in other counties.--*

162 Eligibility Criteria (Continued)

***--F Eligible Feed Loss and Increased Feed Costs (Continued)**

Example 1: On January 1, 2006, Mr. Baca owned 100 head of adult beef cows that are physically located on 1,000 acres of native pasture in County A, an eligible disaster county. The beginning date of County A's disaster period was January 1, 2006. The normal grazing period for native pasture in County A is March 1 through October 15.

On July 1, 2006, Mr. Baca, as part of his normal business operation, moved the 100 head of adult beef cows to 1,000 acres of native pasture physically located in County B, an eligible disaster county. The beginning date of County B's disaster period was January 1, 2006. The normal grazing period for native pasture in County B is March 1 through October 15.

Mr. Baca's 100 head of adult beef cows are eligible for 2006 LCP because the livestock were physically located in County A, an eligible county, on the beginning date of County A's disaster period. County A will be the **administrative county** for Mr. Baca's livestock operation because County A is where the livestock were physically located on the beginning date of an eligible disaster period.

Mr. Baca provided documentation to support that it is a normal practice for him to move his adult beef cows to County B. The native pasture physically located in Counties A and B shall be used in determining the value of Mr. Baca's feed loss. The number of days entered in FSA-901, item 17 for each pasture shall be limited to the number of days each pasture is normally grazed. The number of days the native pasture is normally grazed in County A shall be limited to 122 days (March 1 - June 30) and County B shall be limited to 117 days (July 1 - October 15).

Note: The maximum average percent of loss established for native pasture in:

- County A shall be used in determining the value of loss of the native pasture physically located in County A
- County B shall be used in determining the value of loss of the native pasture physically located in County B.--*

162 Eligibility Criteria (Continued)

***--F Eligible Feed Loss and Increased Feed Costs (Continued)**

Example 2: Mr. Jones owns 100 head of adult beef cows that are physically located in a dry lot in County A, an eligible disaster county, on January 1, 2006. The beginning date of County A's disaster period was January 1, 2006. The normal grazing period for native pasture in County A is March 1 through October 15.

Mr. Jones, as part of his normal livestock operation, moved the 100 head of adult beef cows to 1,000 acres of native pasture located in County B, an eligible disaster county, on July 1, 2006. The beginning date of County B's disaster period was January 1, 2006. The normal grazing period for native pasture in County B is March 1 through October 15.

Mr. Jones' 100 head of adult beef cows are eligible for 2006 LCP because the livestock were physically located in County A, an eligible county, on January 1, 2006, the beginning date of County A's disaster period. County A will be considered the **administrative county** for Mr. Jones' livestock operation because County A is where the livestock were physically located on the beginning date of an eligible disaster period.

Mr. Jones provided documentation to County A to support that it is a normal practice for him to move his 100 head of adult beef cows to County B. Therefore, the native pasture physically located in County B can be used in determining the value of the Mr. Jones' feed loss. Mr. Jones did **not** suffer a loss of feed in County A; therefore, a feed loss would **not** be calculated for County A. The number of days entered in FSA-901, item 17 for the native pasture physically located in County B will be limited to the number of days the native pasture is normally grazed in County B, which is 117 days (July 1 through October 15).

Note: County A shall ensure that the maximum average percent of loss established in County B is used for determining the value of loss of the native pasture physically located in County B, if different than the maximum average percent of loss established in County A.--*

162 Eligibility Criteria (Continued)

***--F Eligible Feed Loss and Increased Feed Costs (Continued)**

Example 3: Mr. Jacobs owns 100 head of adult beef cows, 50 head are physically located on 500 acres of native pasture in County A, an eligible disaster county, on January 1, 2006. The beginning date of County A's disaster period was January 1, 2006. County A is the administrative county for the 500 acres of native pasture physically located in County A, 50 head are physically located on 500 acres of native pasture in County B, an eligible disaster county, on January 1, 2006. The beginning date of County B's disaster period was January 1, 2006. County B is the administrative county for the 500 acres of native pasture physically located in County B. The normal grazing period for native pasture in County A and County B is March 1 through October 15.

Mr. Jacobs, as part of his normal livestock operation, moved the 50 head of adult beef cows physically located in County A to County B and the 50 head of adult beef cows physically located in County B to different pastures in County A on a rotational basis during the disaster calendar year.

Mr. Jacobs' 50 head of adult beef cows physically located in County A and the 50 head of adult beef cows physically located in County B are eligible for 2006 LCP because the livestock were physically located in eligible counties on January 1, 2006, the beginning date of County A and County B's disaster periods. In this situation, Mr. Jacobs will select in which County Office he will file his FSA-901.

Mr. Jacobs determines to file his FSA-901 in County A. Mr. Jacobs provided documentation to County A to support that it is a normal practice for him to move his 100 head of adult beef cows, on a rotational basis, between Counties A and B. Therefore, the native pastures physically located in Counties A and B can be used in determining the value of Mr. Jacobs' feed loss. The number of days entered in FSA-901, item 17 for each pasture will be limited to the number of days each pasture is normally grazed.

Note: County A shall ensure that the maximum average percent of loss established in County B is used for determining the value of loss of the native pasture physically located in County B, if different than the maximum average percent of loss established in County A.--*

162 Eligibility Criteria (Continued)

***--F Eligible Feed Loss and Increased Feed Costs (Continued)**

Example 4: Mrs. Edwards purchased 100 head of adult beef cows on January 15, 2006. Mrs. Edwards placed the 100 head of adult beef cows on 1,000 acres of native pasture that she owns that is physically located in County A, an eligible disaster county. The beginning date of County A's disaster period was January 1, 2006. The normal grazing period for native pasture in County A is March 1 through October 15.

Mrs. Edwards, as part of her normal livestock operation, moved the 100 head of adult beef cows to 1,000 acres of native pasture she owns that is physically located in County B, an eligible disaster county, on July 1, 2006. The beginning date of County B's disaster period was January 1, 2006. The normal grazing period for native pasture in County B is March 15 through October 31.

Mrs. Edwards 100 head of adult beef cows are **not** eligible for 2006 LCP because the livestock were **not** physically located in either County A or County B on the beginning date of either of the counties respective disaster periods.--*

162 Eligibility Criteria (Continued)**G Eligible Grazing Types**

Different types or varieties of pasture and grazing crops for a county shall be grouped into 1 of the following:

- forage sorghum (nonirrigated)
- improved grasses (nonirrigated)
- native grasses (nonirrigated).

H Eligible Grazing Land

The following are eligible grazing lands:

- State and Federal lands, if either of the following apply:
 - land 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 leased for cash or fixed amount for an established grazing period
- previously irrigated grazing land that was not irrigated in 2005, 2006, or 2007, because of lack of water for reasons beyond the participant's control.

162 Eligibility Criteria (Continued)**I Ineligible Grazing Land**

The following are ineligible types of grazing:

- acreage enrolled in CRP
- irrigated pastures or crops
- seeded small grain forage crops

Note: Seeded small grain forage crops include the following:

- barley
 - millet
 - oats
 - rye
 - triticale
 - wheat.
- grazing land that is leased under any of the following conditions:
 - basis of weight gain
 - cost per head, per day or month

Example: Owner A has an agreement with Producer B under which Owner A pays \$.30 per day for 100 yearlings grazed on Producer B's pasture. Owner A pays only for the number of days the 100 yearlings graze. Because Owner A pays only for the actual days grazed, Owner A suffers no grazing loss, and is ineligible for LCP.

- on an AUM-only basis, when the lessee incurs no additional expense for pasture maintenance, wells, fences, etc.

162 Eligibility Criteria (Continued)

J Deceased Individuals and Dissolved Entities

--Authority to sign contracts, applications, and other documents on behalf of an eligible participant who is now a deceased individual or is a dissolved entity may vary according-- to State law. If an eligible livestock producer is now deceased or a dissolved entity, then an authorized representative of the deceased individual or dissolved entity may sign FSA-901 provided the authorized representative has authority to enter into a contract for the deceased individual or dissolved entity.

Important: Proof of authority to sign for the eligible deceased individual or dissolved entity **must** be on file in the County Office before the representative is *--allowed to sign FSA-901 for the participant. Proof of authority includes--* any of the following:

- court order
- document approved by the OGC Regional Attorney
- letter from Secretary of State.

FSA-325 is:

- *--only used when it is requested that a payment earned by a deceased, missing, or incompetent program participant be issued in a name other than that of the deceased, missing, or declared incompetent program participant--*
- not applicable for determining who may file a program application for a deceased, incompetent, or missing individual.

State Office shall consult with the OGC Regional Attorney on the following types of cases:

- documentation submitted does not clearly establish authority to enter into a contract or application on behalf of the deceased individual, closed estate, or dissolved entity
- application from and request for issuing payments to heirs of a deceased individual without documentation provided that establishes authority to enter into a contract or application on behalf of the deceased individual.

*--If a participant is a general partnership or joint venture that was dissolved, all members of the general partnership or joint venture at the time of dissolution, or their representatives, **must** sign separate FSA-901, Page 2's.

Note: Only one FSA-901 will be submitted for payment for the general partnership or joint venture; however, all members **must** sign FSA-901, Page 2.--*

See paragraph 165 for making payments to deceased individuals, closed estates, and dissolved entities.

163 **Grazing Loss Percentages**

A Establishing Grazing Loss Percentages

*--COC shall establish maximum average grazing loss percentages for each type of grazing because of the eligible disasters. These maximum average grazing loss levels will be the maximum loss percentage for any producer in the eligible disaster county.

Note: The maximum average grazing loss established by COC for the county is **not** appealable.

COC shall establish maximum average grazing loss percentages for each type of grazing because of eligible disaster events in the following sequence.

IF a percent of grazing loss was...	THEN...
established according to 1-NAP, subparagraph 195 E for the disaster year	the maximum average grazing loss percentage shall be the percent of grazing loss established under NAP.
not established according to 1-NAP, subparagraph 195 E	the maximum average grazing loss percentage shall be the percent of loss recorded on DAR for the disaster period of the Secretarial disaster declaration.
not established under NAP or was not established because of the disaster event approved by the Secretary and recorded on DAR for the applicable disaster period	<p>COC shall review documentation such as climatological data, stocking rates, subsoil moisture availability, supplemental feeding requirements, etc. in establishing maximum average grazing loss levels. COC shall submit their recommended maximum average grazing loss percentages and supporting documentation for each type of grazing to STC for review and concurrence.</p> <p>Note: STC shall review and concur with COC recommendations for maximum average grazing loss percentages for each type of grazing. STC's shall ensure that maximum average loss levels established are consistent with other similar established maximum average loss levels for similar disaster events in other counties in the State.</p>

COC shall document in the COC minutes all maximum average grazing loss percentages and the method used to establish the maximum average grazing loss percentage.--*

163 Grazing Loss Percentages (Continued)

B Individual Grazing Losses

*--It is the participant's responsibility to provide and certify to their individual grazing loss, by grazing type, during the disaster year.

A participant's certified grazing:

- losses may be more or less than the established county maximum average county grazing loss percentage for each type of grazing on FSA-901
- loss percentage for each type of grazing:
 - cannot exceed the maximum average county grazing loss percentage for that type of grazing
 - may be less than the maximum average county grazing loss percentage for that type of grazing.

IF a participant's certified grazing loss percentage exceeds	AND COC percentage of loss entered on Load County Maximum Grazing Loss Screen MHAJW501 is...	THEN...
the maximum average grazing loss percentage established by COC for that type of grazing	equal to the maximum average grazing loss percentage established by COC for that type of grazing	no action is required. The automated system will limit the participant's maximum average grazing loss to the percentage of loss entered on Screen MHAJW501 (Example 1).
	less than the maximum average grazing loss percentage established by COC for that type of grazing	County Office shall enter the maximum average grazing loss percentage established by COC for that type of grazing in FSA-901, item 19 (Example 2).

--*

163 Grazing Loss Percentages (Continued)

B Individual Grazing Losses (Continued)

***--Example 1:** COC established the following 2005 maximum average grazing losses for LCP:

- forage sorghum is 35 percent.
- improved pasture is 40 percent
- native pasture is 50 percent

County Office entered 50 percent on Screen MHAJW501 as the county's maximum percent of grazing loss for 2005.

Participant A certifies in FSA-901, item 18, that his/her maximum grazing loss for native pasture is 65 percent. In this example, the automated system will limit the participant's grazing loss for native pasture to 50 percent, the maximum average grazing loss established for native pasture by COC, which is also the maximum percent of grazing loss entered in the automated system for 2005.

Example 2: Same as example 1, except that Participant A certifies in FSA-901, item 18 that his/her maximum grazing loss for improved pasture is 55 percent. In this example, the County Office will need to enter 40 percent in FSA-901, item 19 to limit the participant's grazing loss to the maximum average grazing loss percentage established by COC for improved pasture; otherwise, the system will default to 50 percent, which is the highest maximum average grazing loss for the county.--*

163 Grazing Loss Percentages (Continued)**C COC Reduction of Individual Grazing Loss**

*--COC's shall review each participant's certified grazing loss to determine whether the participant's certified grazing loss is consistent with losses of other similar grazing types in the local area.

If COC determines a participant's certified grazing loss percentage for a specific type of grazing is not reasonable, COC shall:

- request the participant provide verifiable evidence supporting certified loss percentage, such as, but not limited to, the following:
 - rotational grazing practices
 - preparation and maintenance of grazing type, such as fertilizer and seeding rates
 - purchases of supplemental feed above normal

- **Important:** It is the participant's responsibility to provide verifiable evidence to support the certified percentage of loss for each type of grazing.

- review the participant's livestock operation, such as:--*
 - type of livestock grazed
 - number of livestock grazed
 - rotational grazing practices
 - preparation and maintenance of grazing type, such as fertilizer and seeding rates.

163 Grazing Loss Percentages (Continued)

C COC Reduction of Individual Grazing Loss (Continued)

*--After complete and thorough review of all applicable data, if COC determines a participant's certified loss percentage for the specific grazing type is overstated, COC shall:

- reduce the participant's loss percentage to an acceptable level
- thoroughly document in the COC minutes the reason for reducing the participant's grazing loss percentage for each applicable pasture

Important: All data reviewed by COC shall be included in the COC minutes.

- approve the participant's application for only the COC-approved loss percentage

Important: If the COC-reduced level of loss results in the participant being ineligible, see paragraph 181 to disapprove FSA-901.

- notify participant of COC approval and loss percentage
- grant the participant applicable appeal rights.

Note: This subparagraph only applies when COC determines the participant's grazing loss is less than the participant's certified loss percentage and maximum average loss as established for the county. Proper supporting documentation **must** support COC determination.--*

164 Payment Rates, Limitations, and Reductions

A Funding

*--Because 2005-2207 LCP is fully funded, a national factor is **not** applicable. Payment may be issued based on regulations that were published in 7 CFR Part 760, Subparts K and L, on December 21, 2007.--*

B Payment Limitation

A \$80,000 payment limitation applies to each “person” for benefits received under 2005-2007 LCP. Determine “persons” according to 1-PL.

--If a “person” determination for the participant has:--

- already been made for the disaster year for which FSA-901 is submitted, use the same “person” determination for LCP purposes
- **not** been made for the applicable disaster year for which FSA-901 is submitted, COC shall:
 - *--obtain CCC-502 from the participant
 - make a “person” determination and notify participant according to 1-PL.--*

Notes: Actively engaged and cash-rent tenant provisions do **not** apply.

Payment limitation allocations for multi-county and combined producers will be updated in the control county for 2007 (paragraph 241).

C AGI

The AGI provisions of 1-PL are applicable. Individuals and entities exceeding \$2.5 million AGI are not eligible for payment under 2005-2007 LCP.

See 1-PL and 3-PL for policy and software provisions of AGI.

164 Payment Rates, Limitations, and Reductions (Continued)

D Payment Rates for Eligible Livestock

2005-2007 LCP payment rates are based, in part, on the number of pounds of corn equivalent per day, as established by FSA, determined necessary to provide the energy requirements for the specific kind/type of livestock for 30 calendar days.

The following table provides the per head payment rates, by livestock category.

Kind of Livestock	Type	Weight Range	2005/2006/2007 Payment Per Head
Beef	Adult	Cows and Bulls	\$10.66
	Non-adult	500 pounds or more	\$8.00
Dairy	Adult	Cows and Bulls	\$27.72
	Non-adult	500 pounds or more	\$8.00
Buffalo/Beefalo	Adult	Cows and Bulls	\$10.66
	Non-adult	500 pounds or more	\$8.00
Sheep	All		\$2.67
Goats	All		\$2.67
Deer	All		\$2.67
Equine	All		\$7.89
Swine		Less than 45 pounds	\$0.32
		45 to 124 pounds	\$0.74
		125 to 234 pounds	\$1.28
	Sow	235 pounds or more	\$4.37
	Boar	235 pounds or more	\$2.56
Elk		Less than 400 pounds	\$2.35
		400 pounds to 799 pounds	\$4.37
		800 pounds or more	\$5.76
Poultry	All	Less than 3 pounds	\$0.07
	All	3 pounds to 7.9 pounds	\$0.13
	All	8 pounds or more	\$0.31
Reindeer	All		\$2.35

Note: See paragraph 142 for definitions of the different livestock kind/types.

164 Payment Rates, Limitations, and Reductions (Continued)

E Payment Reductions

Pub. L. 110-28 provides that payments for 2005-2007 LCP shall be reduced by any amount *--received by the participant for the same loss or any similar loss under:--*

- 2005 Hurricanes FIP
- 2005 Hurricanes LCP
- 2006 LAGP.

Some eligible livestock owners under 2005 LCP may have received compensation for feed losses or increased feed costs under 2005 Hurricanes FIP and/or 2005 Hurricanes LCP; therefore, 2005 LCP payment amounts for eligible livestock shall be reduced by the amount *--the participant received for the specific livestock under 2005 Hurricanes FIP and/or--* 2005 Hurricanes LCP.

Example: Bill Smith is an eligible owner of 100 eligible adult beef cows for 2005-2007 LCP. Mr. Smith suffered, as a direct result of Hurricane Katrina, an eligible loss of feed for the eligible adult beef cows. Mr. Smith received \$680 under the 2005 Hurricanes FIP for the 100 adult beef cows. Mr. Smith's \$1,748 calculated payment amount for the 100 adult beef cows under 2005 Hurricanes LCP was reduced by \$680. Mr. Smith received a payment of \$1,068 under 2005 Hurricanes LCP for the eligible adult beef cows. Under 2005-2007 LCP, Mr. Smith's 2005 LCP calculated payment amount for the 100 adult beef cows is \$1,066, before any reduction. However, under 2005-2007 LCP, the 2005 LCP payment for the adult beef cows will be reduced to \$0 because of the \$680 received under 2005 Hurricanes FIP and the \$1068 received under 2005 Hurricanes LCP.

Some eligible livestock owners under 2006 LCP may have received compensation for feed losses under 2006 LAGP; therefore, 2006 LCP payment amounts for eligible livestock shall *--be reduced by the amount the participant received for the livestock under 2006 LAGP.--*

Notes: States under 2006 LAGP were authorized to reimburse eligible livestock producers for forage losses, cost of additional supplemental feed, cost of relocating cattle to a new food supply, increased transportation costs, and emergency water supplies.

State Offices will be provided the **total payment amount** each livestock producer received under 2006 LAGP. County Offices shall ensure that 2006 LCP payment *--amounts are reduced by the **total payment amount** the participant received under 2006 LAGP unless the participant can provide verifiable documentation to support--* a breakdown in cost.

See Part 6 for instructions on recording the amount of payment to be reduced.

165 General Payment Information

A Assignments and Offsets

For 2005-2007 LCP, County Offices shall:

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

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

2005-2007 LCP payments for FSA-901’s involving deceased individuals, closed estates, or dissolved entities shall be made according to the following, provided all other eligibility requirements are met.

*--

IF the participant is an...	AND FSA-901 is signed by an authorized representative of the...	THEN payments shall be issued...
individual who died before FSA-901 was filed	deceased according to subparagraph 162 J	to any of the following, as applicable, using the ID number of the participant: <ul style="list-style-type: none"> • the deceased individual • the individual’s estate • name of the heirs, based on OGC determination, according to 1-CM, Part 26.
estate that closed before FSA-901 was filed	estate according to subparagraph 162 J	
entity that dissolved before FSA-901 was filed	dissolved entity according to subparagraph 162 J	using the ID number of the participant.
individual who dies, is declared incompetent, or is missing after filing FSA-901		to eligible payees executing FSA-325 according to 1-CM, paragraph 779.

Note: FSA-325 is only used when it is requested that a payment earned by a deceased, missing, or incompetent program participant be issued in a name other than that of the deceased, missing, or incompetent program participant.--*

165 General Payment Information (Continued)

C Payment Eligibility Requirements

A participant must meet all the following for the year for which LCP benefits are requested, if not already on file, before a payment shall be issued:

- CCC-502 on file and “person” determination according to 1-PL
- AD-1026 on file according to 6-CP
- not in violation of fraud provisions, including FCIC fraud provisions, according to 1-CM and 3-PL
- compliance with:
 - controlled substance provisions according to 1-CM
 - AGI provisions according to 1-PL.

Note: See subparagraph:

- 164 B for more information about CCC-502
- D for more information about AD-1026.

County Offices shall:

- record determinations for the applicable criteria in the web-based eligibility system according to 3-PL
- *--ensure that applicable FSA-770 LCP’s are completed according to Exhibit 18.--*

* * *

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

AD-1026 applicable to the year for which 2005-2007 LCP benefits are requested must be on file for the participant according to 6-CP.

If AD-1026 applicable for the year for which 2005-2007 LCP benefits are requested is:

- already on file for the participant, it is not necessary to obtain a new AD-1026 for 2005-2007 LCP
- not on file for the participant, County Office shall obtain a completed AD-1026 applicable to the year for which 2005-2007 LCP benefits are requested from the participant.

If a new AD-1026 is required to be filed, payments may be issued to eligible participants upon signing in AD-1026, item 12. County Offices shall not withhold payments pending NRCS highly erodible land or wetland 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

IPIA requires Federal agencies to evaluate programs to determine whether internal controls are sufficient to prevent improper payments. County Offices shall take all steps necessary to ensure that 2005-2007 LCP and payment eligibility requirements have been met before issuing any payments.

Note: See Exhibit 18 for additional information about FSA-770 LCP.

F Definition of Improper Payment

OMB defines an improper payment as any payment that should **not** have been issued or was issued in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirement.

--166 Determining Lost Feed Value and Increased/Additional Feed Costs--

* * *

***--A Determining Value of Forage Grazing Acres**

See subparagraph 182 for completing manual FSA-902 for determining the value loss of forage grazing acres.

B Determining Value of Feed Stuff Purchased by Participant

When a participant indicates the feed lost for the claimed livestock was feed stuff, other than forage grazing acres, purchased by the participant, County Offices shall:

- request participant provide **original** receipts for feed stuff purchased for the claimed--* livestock
- validate the **original** receipts by:
 - date stamping the front of the original receipts
 - writing on the front of the original receipts for the calendar year benefits are being requested:
 - “2005 LCP”, if request is for 2005 calendar year losses
 - “2006 LCP”, if request is for 2006 calendar year losses
 - “2007 LCP”, if request is for 2007 calendar year losses
- make a photocopy of the validated original receipts
- attach the photocopy to FSA-901
- *--return validated original receipts to participant.--*

***--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)**

B Determining Value of Feed Stuff Purchased by Participant (Continued)--*

To be considered acceptable and used to determine the value of lost feed, the feed receipt must include all of the following:

- date of feed purchase
- ***--Important:** Feed purchased after the disaster period ending date is **not** an eligible--* feed loss. The feed lost must be because of an eligible disaster event listed at <http://disaster.fsa.usda.gov>.
- name, address, and telephone number of feed vendor
- type and quantity of feed purchased
- cost of feed purchased
- signature of feed vendor if the vendor does not have a license to conduct this type of transaction.
- ***--Example:** The participant purchased baled hay from their neighbor. The neighbor is not a licensed vendor; therefore, the neighbor’s signature is required to be on the purchase receipt.

County Office shall determine the value of lost feed from purchased forage or feed stuffs, other than forage grazing acres, that was purchased by the participant, intended for use as feed for the participant’s eligible livestock, and damaged or destroyed because of an eligible disaster event, according to the following table.

Step	Action	Result
1	Request participant provide original receipts for feed stuff purchased for claimed livestock that was lost because of the eligible disaster event.	
2	Determine whether the feed purchased was feed for the claimed livestock.	
3	Determine whether the receipts provided meet all requirements to be acceptable and used to determine the value of the feed lost.	
4	Add the cost of the eligible feed purchased for the claimed livestock from all acceptable purchase receipts. Do not include other costs, such as delivery charges, when calculating cost of feed lost.	Total cost of feed stuff, other than forage grazing acres, purchased by the participant for the claimed livestock.

--*

***--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)**

B Determining Value of Feed Stuff Purchased by Participant (Continued)--*

Example: Bill Jones purchased 75 big round bales of hay on January 10, 2005. Mr. Jones purchased the hay to feed to his 60 dairy cows after the end of the grazing period at a total cost of \$3,000. Mr. Jones indicates he lost 45 of the bales of hay because of flooding that occurred on May 1, 2005.

Mr. Jones provides County Office original receipts for the hay purchased. The receipts meet all the requirements in this subparagraph.

County Offices determines the value of the lost feed to be \$1,800 as follows:

$\$3,000$ (total cost of all hay) \div 75 (total number of bales purchased) \times 45 (number of bales of hay lost) = $\$1,800$.

Note: The value of feed lost in the amount of \$1,800 would be entered in *--FSA-901, item 21. See paragraph 203 for entering value of feed lost in--* the automated system.

***--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)**

C Determining Value of Feed Stuff Produced by Participant

County Office shall determine the value of lost feed from forage or feed stuffs, other than forage grazing acres, that was mechanically harvested, intended for use as feed for the participant’s eligible livestock, and damaged or destroyed because of an eligible disaster event, according to the following table.

Step	Action	Result
1	Request participant provide all the following: <ul style="list-style-type: none"> • verifiable evidence of either or both of the following: • participant had the ability to produce the kind and amount of feed stuff claimed lost, such as equipment, seed receipts, fertilizer purchase receipts, acreage reports • participant paid for the production of the feed stuff claimed lost, such as custom harvest costs • any evidence that supports the amount of the feed stuff claimed produced, such as weight tickets, acres and yields, processing receipts. 	
2	Determine whether the feed produced was feed for the claimed livestock.	
3	Determine a value of the feed stuff produced based on the fair market value of the feed stuff before the eligible disaster event.	
4	Add the determined value of all feed stuff lost.	Total cost of feed stuff, other than forage grazing acres, produced by participant for claimed livestock.

--*

***--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)**

C Determining Value of Feed Stuff Produced by Participant (Continued)--*

Example: Jim Smith produced 55 big round bales of hay before the flood in January 2005. Mr. Smith produced the hay to feed to his 40 dairy cows after the end of the grazing period. Mr. Smith indicates he lost 40 of the bales of hay because of the flood.

--Mr. Smith provides evidence that he has the ability to harvest the kind of hay-- fed claimed lost. He also provides the average weight of the bales of hay produced. COC obtains information indicating the value of the type of hay produced by Mr. Smith before the flood.

Based on the information submitted by Mr. Smith, the information about the value of the type of hay fed, and COC's knowledge of the value of the hay produced, COC determines the total value of the hay lost to be \$1,000.

Note: The value of feed lost in the amount of \$1,000 would be entered in *--FSA-901, item 21. See paragraph 203 for entering value of feed lost in--* the automated system.

--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)*D Determining Value of Increased/Additional Feed Costs**

When a participant indicates increased/additional feed costs were incurred in an eligible disaster county, because of an eligible disaster event to feed the participant's eligible livestock, and the increase in feed cost is because of either an **increase in price** and/or **additional feed purchases above normal** for feed that is purchased by the participant as part of the participant's normal business operation to feed the participant's eligible livestock, County Offices shall:

- request the participant provide **original receipts or summary purchase receipts** for feed stuff that:
 - is **purchased** by the participant as part of the participant's normal business operation for the **year immediately preceding the disaster year** for which increased/additional feed costs are being claimed
 - was **purchased** by the participant **during the disaster** year to feed the participant's eligible livestock for which an increase in feed costs is being claimed, including increased/additional feed costs associated with and caused by the eligible disaster event, and the feed was purchased and paid for by the eligible livestock producer **before** the beginning of the subsequent year's grazing period

Example 1: George Chavez claims that he suffered an increase in feed costs in 2006 for Timothy hay because of an eligible disaster event. Mr. Chavez purchases Timothy hay as part of his normal business operation to feed his adult beef cows. Mr. Chavez has indicated that the increase in feed cost in 2006 for Timothy hay was because of an increase in the price of Timothy hay in 2006 as compared to the price paid in 2005 because of an eligible disaster event. Mr. Chavez must provide original or summary purchase receipts for Timothy hay that he purchased in 2005 and 2006.--*

--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)*D Determining Value of Increased/Additional Feed Costs (Continued)**

Example 2: Sue Bell claims that she suffered an increase in feed costs in 2005 because of an eligible disaster event. Ms. Bell purchases Timothy hay as part of her normal business operation to feed her adult beef cows. Ms. Bell indicated that the price of Timothy hay in 2005 had increased 50 percent from the price she paid in 2004. In 2005, Ms. Bell purchased corn silage as a substitute feed for the Timothy hay from Bill Jones. Mr. Jones had intended to harvest his corn for grain, but because of severe drought, harvested the corn as silage instead. Ms. Bell must provide original or summary purchase receipts for the Timothy hay she purchased in 2004 and for the corn silage she purchased from Mr. Jones in 2005.

Example 3: John Martinez claims that he suffered an increase in feed costs in 2005 because of an eligible disaster event. Mr. Martinez normally purchases 100 bales of Timothy hay as part of his normal business operation to feed his adult beef cows. Mr. Martinez indicated that because of the eligible disaster event, he had to purchase 140 bales of Timothy hay to feed his adult beef cows. Mr. Martinez must provide original or summary purchase receipts for the Timothy hay he purchased in 2004 and 2005.--*

--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)*D Determining Value of Increased/Additional Feed Costs (Continued)**

- validate the **original receipts** or the **summary purchase receipt from the vendor** by:
 - date stamping the front of the original receipts or summary purchase receipts from the vendor
 - writing on the front of the original receipts or summary purchase receipts from the vendor for the calendar year benefits are being requested:
 - “2005 LCP”, if request is for 2005 calendar year losses
 - “2006 LCP”, if request is for 2006 calendar year losses
 - “2007 LCP”, if request is for 2006 calendar year losses
- make a photocopy of the validated original receipts or summary purchase receipts from the vendor
- attach the photocopy to FSA-901
- return validated original receipts or summary purchase receipts to participant.

To be considered acceptable and used to determine the value of the increased/additional feed costs, the feed receipts or summary feed purchase receipts **must** include all of the following:

- date of feed purchase
- name, address, and telephone number of feed vendor
- type and quantity of feed purchased
- cost of feed purchased
- signature of feed vendor if the vendor does **not** have a license to conduct this type of transaction.

Example: The participant purchased baled hay from their neighbor. The neighbor is **not** a licensed vendor; therefore, the neighbor’s signature is required to be on the purchase receipt.--*

***--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)**

D Determining Value of Increased/Additional Feed Costs (Continued)

County Offices shall determine the value of a participant’s increased/additional feed costs, other than forage grazing acres, that is purchased by the participant as part of the participant’s normal business operation, intended for use as feed for the participant’s eligible livestock, and the increase in feed costs is because of an eligible disaster event, according to the following table.

Step	Action	Result
1	Request the participant provide original receipts or summary purchase receipts for the feed stuff that was purchased by the participant: <ul style="list-style-type: none"> • for the year immediately preceding the disaster year for which increased/additional feed costs are being claimed • during the disaster year for which an increase in feed costs is being claimed, including increased/additional feed costs associated with and caused by the eligible disaster event, and the feed was purchased and paid for before the beginning of the subsequent years grazing period. <p>Note: The determination has been made that the increase in the price of corn for 2005-2007 is because of an increase in demand for using corn in producing ethanol, and other by products, and not because of any 1 eligible disaster event.</p>	
2	Determine whether the increased/additional feed costs for the feed stuff the participant normally purchases occurred because of an eligible disaster event.	
3	Determine whether the feed purchased was for the claimed livestock.	
4	Determine whether the receipts provided meet all requirements to be acceptable and used to determine the value of the increased/additional feed costs.	

--*

*--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)

D Determining Value of Increased/Additional Feed Costs (Continued)

Step	Action	Result
5	<p>Add the cost of the eligible feed purchased for the year immediately preceding the disaster year for which increased/additional feed costs are being claimed from all acceptable purchase receipts.</p> <p>Do not include other costs, such as delivery charges, when calculating increased/additional feed costs.</p>	<p>Total cost of feed stuff, other than forage grazing acres, purchased by the participant for the year immediately preceding the disaster year for which increased/additional feed costs are being claimed.</p>
6	<p>Add the cost of the eligible feed purchased during the disaster year for which increased/additional feed costs are being claimed from all acceptable purchase receipts, including increased/additional feed costs associated with and caused by the eligible disaster event, that were purchased and paid for before the beginning of the subsequent years grazing period.</p> <p>Do not include other costs, such as delivery charges, when calculating the increased/additional feed costs.</p>	<p>Total cost of feed stuff, other than forage grazing acres, purchased by the participant during the disaster year for which increased/additional feed costs are being claimed, including increased/additional feed costs that were purchased and paid for before the beginning of the subsequent years grazing period.</p>
7	<p>Subtract the result in step 5 from the result in step 6.</p>	<p>This is the value of the participant's increased/additional feed costs.</p> <p>Note: If the value is negative, in FSA-901, item 21 ENTER "0".</p>

--*

--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)*D Determining Value of Increased/Additional Feed Costs (Continued)**

Example 1: George Chavez purchased 100 round bales of hay in 2006, at a total cost of \$8,000, to feed his 100 adult beef cows. Mr. Chavez claims that he incurred an increase in feed costs in 2006 for the round bales of hay because of drought that occurred in 2006.

Mr. Chavez purchased 100 round bales of hay in 2005, at a total cost of \$4,000, to feed his adult beef cows.

Mr. Chavez provides County Office original receipts for the hay he purchased in 2005 and 2006. The receipts meet all requirements in this subparagraph. COC determines that the increase in the price of hay in 2006 as compared to the price Mr. Chavez paid in 2005 is because of the drought that occurred in 2006.

County Office determines the value of the increased feed cost incurred in 2006 by Mr. Chavez to be \$4,000 as follows:

\$8,000 (total cost of all hay in 2006) minus \$4,000 (total cost of all hay in 2005) = \$4,000.

Note: The value of increased feed costs in the amount of \$4,000 would be entered in FSA-901, item 21. See paragraph 203 for entering value of increased feed costs in the automated system.--*

--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)*D Determining Value of Increased/Additional Feed Costs (Continued)**

Example 2: Sue Bell purchased 60 tons of forage sorghum silage in 2006, at a total cost of \$4,800, to feed her 100 adult beef cows. Normally, Ms. Bell would purchase hay to feed her adult cows. Ms. Bell claims that she purchased forage sorghum silage instead of hay in 2006 because the 2006 drought caused a shortage of hay resulting in an increase in price for hay.

Ms. Bell purchased 100 large round bales of hay in 2005, at a total cost of \$4,000, to feed her adult beef cows.

Ms. Bell provides County Office original receipts for the hay she purchased in 2005 and the silage she purchased in 2006. The receipts meet all requirements in this subparagraph. COC determines that the increase in the price of hay in 2006 as compared to the price Ms. Bell paid in 2005 is because of the drought that occurred in 2006.

County Office determines the value of the increased feed cost incurred in 2006 by Ms. Bell to be \$800 as follows:

\$4,800 (total cost of all forage sorghum silage in 2006) minus \$4,000
(total cost of all hay in 2005) = \$800.

Note: The value of increased feed costs in the amount of \$800 would be entered in FSA-901, item 21. See paragraph 203 for entering value of increased feed costs in the automated system.--*

--166 Determining Lost Feed Value and Increased/Additional Feed Costs (Continued)*D Determining Value of Increased/Additional Feed Costs (Continued)**

Example 3: John Martinez purchased 140 bales of hay in 2005, at a total cost of \$5,600, to feed his 100 adult beef cows. Mr. Martinez claims that he purchased additional hay in 2005 above what he normally would have purchased because of the drought that occurred in 2005.

Mr. Martinez purchased 100 round bales of hay in 2004, at a total cost of \$4,000, to feed his adult beef cows.

Mr. Martinez provides County Office original receipts for the hay he purchased in 2004 and 2005. The receipts meet all requirements in this subparagraph. COC determines that additional feed purchased and the increased costs associated with the additional feed purchased in 2005 is because of the drought that occurred in 2005.

County Office determines the value of the increased feed cost incurred in 2005 by Mr. Martinez to be \$1,600.00 as follows:

\$5,600 (total cost of all hay in 2005) minus \$4,000 (total cost of all hay in 2004) = \$1,600.

Note: The value of increased feed costs in the amount of \$1,600 would be entered in FSA-901, item 21. See paragraph 203 for entering value of increased feed costs in the automated system.--*

180 Applying for Benefits

A Filing FSA-901

*--To apply for 2005-2007 LCP benefits, eligible livestock owners and livestock cash lessees shall file an automated FSA-901, following provisions found in paragraph 182, in **their administrative County Office**.

Note: A minor child is eligible to file FSA-901, if all eligibility requirements are met and 1 of the following conditions exists:

- the right of majority has been conferred upon the minor by court proceedings or statute
- a guardian has been appointed to manage the minor's property, and the applicable program documents are executed by the guardian
- a bond is furnished under which a surety guarantees any loss incurred for which the minor would be liable had the minor been an adult.

If the county in which the livestock feed losses or additional feed costs occurred is eligible for LCP for 2005, 2006, and/or 2007, and the eligible livestock owner or cash lessee suffered feed losses and/or additional feed costs in more than 1 of these years, the **eligible livestock owner or cash lessee shall be encouraged** to complete FSA-901 for each applicable year.

A completed FSA-901 must be signed and dated by the participant before the end of signup to be considered timely filed. There are **no** late-filed provisions for 2005-2007 LCP (paragraph 161).

See Part 5 for completing FSA-901 through the automated system.

State and County Offices shall not develop, design, or use any forms, worksheets, applications, or other documents to obtain or collect the data required from participants to complete FSA-901 (subparagraph 140 E).

FSA-901's for 2005-2007 LCP will be based on the following:

- administrative county
- calendar year
- participant.

If at any point the administrative county, calendar year, or participant is different, a separate FSA-901 **must** be filed.--*

180 Applying for Benefits (Continued)

A Filing FSA-901 (Continued)

FSA-901's shall be filed by eligible livestock owners and cash lessees in **their administrative County Office**. The administrative County Office is the County Office designated by FSA to:

- handle official records
- issue payment to eligible livestock producers
- make determinations.

A livestock owner or cash lessee's administrative County Office is generally the County Office where the livestock owner or cash lessee's farm records are maintained. FSA does have provisions in 2-CM and 3-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.

2005-2007 LCP applications will be filed in the livestock operation's administrative county.

*--When a participant has the same percentage share interest in multiple operations with different associated participants that are **physically located in the same county**, which is the administrative county, in the same calendar year, the total eligible livestock for all such operations shall be listed for the participant only once on FSA-901.--*

Example: Jane Jones suffered an eligible feed loss for the following livestock interests in Castro County in calendar year 2006:

- 50-50 share owner with Bill Green of 100 adult beef cows in Castro County
- 50-50 share owner of 50 adult beef cows with Mary Blue in Castro County
- 50-25-25 share owner of 500 adult beef cows with Bob Black and Mike White in Castro County.

180 Applying for Benefits (Continued)

A Filing FSA-901 (Continued)

--The following five FSA-901's would be submitted, assuming all participants file FSA-901 for eligible livestock, and none of the participants have any other-- livestock interests:

- one FSA-901 for Jane Jones that includes the following:
 - 100 eligible adult beef cows from the operation she shares with Bill Green for 50 percent share
 - 50 eligible adult beef cows from the operation she shares with Marry Blue for 50 percent share
 - 500 eligible adult beef cows from the operation she shares with Bob Black and Mike White

Note: The 650 adult beef cows will be entered as 1 entry on FSA-901 since Jane Jones share is the same for in all 3 operations.

- one FSA-901 for Bill Green for 50 percent share of 100 eligible adult beef cows from the operation he shares with Jane Jones
- one FSA-901 for Mary Blue for 50 percent share of 50 eligible adult beef cows from the operation she shares with Jane Jones
- one FSA-901 for Bob Black for 25 percent share of 500 eligible adult beef cows from the operation he shares with Jane Jones and Mike White
- one FSA-901 for Mike White for 25 percent share of 500 eligible adult beef cows from the operation he shares with Jane Jones and Bob Black.

180 Applying for Benefits (Continued)**A Filing FSA-901 (Continued)**

*--When a participant has a different share interest in multiple operations with different associated participants that are **physically located in the same county**, which is the--* administrative county, in the same calendar year, the eligible livestock for each operation shall be listed separately on FSA-901.

Example: Sammy Smith has the following livestock interests in Motley County, Texas, which is an eligible county for calendar year 2005:

- 50-50 owner share of an eligible beef cow herd with Bill Brown. Sammy Smith and Bill Brown, as individuals, each have a 50 percent interest in 100 head of beef cows
- 75-25 owner share of a beef cattle herd with Martha Green. Sammy Smith and Martha Green jointly own the beef cattle as individuals on 75-25 percent share interest in 20 eligible adult beef cows
- 25-50-25 owner share of a beef cattle herd with Bob Black and Mike White. Sammy Smith, Bob Black, and Mike White have a 25-50-25 percent interest, respectively, in the 300 eligible adult beef cows.

180 Applying for Benefits (Continued)**A Filing FSA-901 (Continued)**

The following five FSA-901's would be filed in Motley County, Texas, the *--administrative county for calendar year 2005, assuming all participants file FSA-901 for the eligible livestock, and none of the participants have any other--* livestock interests:

- one FSA-901 for Sammy Smith that includes **all** of the following:
 - 50 percent share of the 100 eligible adult beef cows from the operation he shares with Bill Brown
 - 75 percent share of the 20 eligible adult beef cows from the operation he shares with Martha Green
 - 25 percent share of 300 eligible adult beef cows from the operation he shares with Bob Black and Mike White
- one FSA-901 for Bill Brown for 50 percent share of the 100 eligible adult beef cows from the operation he shares with Sammy Smith
- one FSA-901 for Martha Green for 25 percent share of the 20 eligible adult beef cows from the operation she shares with Sammy Smith
- one FSA-901 for Bob Black for the 50 percent share of 300 eligible adult beef cows from the operation he shares with Sammy Smith and Mike White
- one FSA-901 for Mike White for the 25 percent share of 300 eligible adult beef cows from the operation he shares with Sammy Smith and Bob Black.

180 Applying for Benefits (Continued)

A Filing FSA-901 (Continued)

*--When a participant has a different share interest in multiple operations with different associated participants that are **physically located in different counties, with the same--*** **administrative county**, in the same calendar year, the eligible livestock for each operation shall be listed separately on FSA-901.

Example: John Smith has the following livestock interests and eligible feed losses in eligible counties for calendar year 2005:

- 50-50 share with Bob Smith in the S and S General Partnership; the general partnership has a permanent tax ID number, and owns and operates a 500 head dairy operation in Curry County, New Mexico
- 100 percent owner of 100 head of adult beef cows in Curry County, New Mexico
- 25-75 owner share of 200 head of adult beef cows with Jane Brown in Curry County, New Mexico; John Smith and Jane Brown jointly own the adult beef cows as individuals on a 25-75 percent share
- 100 percent owner of 350 sows in Parmer County, Texas.

The following four FSA-901's would be filed for calendar year 2005 in their ***--administrative county**, assuming all participants file FSA-901 for the eligible livestock, and none of the participants have any other livestock interests:--*

- one FSA-901 in Curry County, the administrative county for S and S General Partnership for 100 percent share of the 500 adult dairy cows in Curry County, New Mexico
- one FSA-901 in Curry County, the administrative county for John Smith that includes **both** the following:
 - 100 percent share of the 100 eligible adult beef cows from his own herd in Curry County, New Mexico
 - 25 percent share of the 200 eligible adult beef cows from the operation in Curry County, New Mexico, he shares with Jane Brown

180 Applying for Benefits (Continued)**A Filing FSA-901 (Continued)**

- one FSA-901 in Curry County, the administrative county for Jane Brown for 75 percent share of the 200 eligible adult beef cows from the operation in Curry County, New Mexico, she shares with John Smith
- one FSA-901 in Parmer County, Texas, the administrative county for John Smith for 100 percent share of the 350 eligible sows he owned in Parmer County, Texas.

*--When a participant has a different share interest in multiple operations that are **physically--*** **located in different counties, with the same administrative county**, in the same calendar year, the eligible livestock for each operation shall be listed separately on FSA-901.

Example 1: Sammy Davis has the following livestock interests and eligible feed losses in eligible counties for calendar year 2006:

- 50-50 owner share with Bob Jones in the S and B General Partnership; the general partnership has a permanent tax ID number, and owns and operates a 200 adult beef cow herd that is physically located in Southampton County, Virginia
- 75-25 owner share of a 100 adult beef cow herd physically located in Sussex County, Virginia, with Martha Green; Sammy Davis and Martha Green jointly own the adult beef cows as individuals on 75-25 percent share
- 50-50 owner share of a 25 adult beef cow herd physically located in Southampton County, Virginia, with Mike White. Sammy Davis and Mike White have a 50-50 percent interest, respectively, in the 25 adult beef cows.

180 Applying for Benefits (Continued)

A Filing FSA-901 (Continued)

The following four FSA-901's would be filed in Southampton County, Virginia, **the administrative county** for calendar year 2006, assuming all *-participants file FSA-901 for the eligible livestock, and none of the participants have any other livestock interests:--*

- one FSA-901 for the operation of S and B General Partnership that is physically located in Southampton County, Virginia, for 100 percent share of the 200 eligible adult beef cows
- one FSA-901 for Sammy Davis that includes **both** the following:
 - 75 percent share of the 100 eligible adult beef cows from the operation physically located in Sussex County, Virginia, that is administered in Southampton County, Virginia, that he shares with Martha Green
 - 50 percent share of the 25 eligible adult beef cows from the operation physically located in Southampton County, Virginia, he shares with Mike White
- one FSA-901 for Martha Green for 25 percent share of the 100 eligible adult beef cows from the operation physically located in Sussex County, Virginia, she shares with Sammy Davis
- one FSA-901 for Mike White for 50 percent share of the 25 adult beef cows from the operation physically located in Southampton County, Virginia, he shares with Sammy Davis.

180 Applying for Benefits (Continued)

A Filing FSA-901 (Continued)

Example 2: The same as Example 1 except that Sussex County, Virginia, is not an eligible county in 2006.

The following three FSA-901's would be filed in Southampton County, Virginia, **the administrative county** for calendar year 2006, assuming all participants file FSA-901 for the eligible livestock, and none of the participants have any other livestock interests:--*

- one FSA-901 for the operation of S and B General Partnership that is physically located in Southampton County, Virginia, for 100 percent share of the 200 eligible adult beef cows
- one FSA-901 for Sammy Davis for the 50 percent share of the 25 eligible adult beef cows from the operation physically located in Southampton County, Virginia, he shares with Mike White
- one FSA-901 for Mike White for 50 percent share of the 25 adult beef cows from the operation physically located in Southampton County, Virginia, he shares with Sammy Davis.

Note: Sammy Davis and Martha Green did not file FSA-901's for the 100 adult beef cows in Sussex County, because Sussex County was not an eligible disaster county in 2006.

After all information is entered into the automated FSA-901 software, County Offices shall print the automated FSA-901 and obtain the participant's signature.--*

180 Applying for Benefits (Continued)

B Signing and Certifying FSA-901

*--When signing FSA-901, item 22A, the participant is:

- applying for LCP benefits for the participant listed on FSA-901, item 5--*
- certifying **all** of the following:
 - information provided on FSA-901 is true and correct
 - livestock claimed on FSA-901 are eligible livestock according to subparagraph 162 B
 - all supporting documentation provided are true and correct copies of the transaction reported
 - *--they suffered an eligible feed loss according to subparagraph 162 F
 - the physical location of the:
 - claimed livestock on the beginning date of the applicable disaster period, as provided at <http://disaster.fsa.usda.gov>
 - participant's current livestock inventory
 - the names of all other producers that have an interest in the claimed livestock, including their share
- authorizing FSA officials to:
 - enter upon, inspect, and verify all applicable livestock and acreage in which the participant has an interest for the purpose of confirming the accuracy of the information provided
 - review, verify, and authenticate all information provided on FSA-901 and supporting documents
 - contact other agencies, organizations, or facilities to verify data provided by an participant from such agencies, organizations, or facilities--*
- acknowledging that:
 - failure to provide information requested by FSA is cause for disapproval of FSA-901
 - providing a false certification to FSA is cause for disapproval of FSA-901, and is punishable by imprisonment, fines, and other penalties.

180 Applying for Benefits (Continued)**C Signature Requirements**

*--All participants' signatures **must** be received by the ending signup date to be announced at--* a later date. Neither STC nor COC has authority to approve late-filed FSA-901.

Follow 1-CM for signature requirements.

Important: 1-CM, Part 25 has been amended to provide clarification on signature requirements for general partnerships. County Offices shall see 1-CM, paragraph 709 about revised signature requirements for general partnerships.

Notes: General partnerships must have a permanent tax ID number to receive any FSA payment. FSA payments shall not be issued to the individual members of a general partnership.

FSA payments may be issued to:

- a joint venture with a permanent tax ID number
- the individual members of a joint venture, using the individual member's ID numbers, when the joint venture does not have a permanent tax ID number.

D Printing and Reviewing FSA-901

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

- print an automated FSA-901
- if a manual FSA-901 was submitted
 - attach the manual FSA-901 to the automated FSA-901
 - conduct a second party review of all data on the automated FSA-901 to ensure that all data is the same on both the manual and automated FSA-901.

180 Applying for Benefits (Continued)

D Printing and Reviewing FSA-901 (Continued)

Important: The individual conducting the second party review shall not be the same individual who entered the data into the automated system.

The reviewer shall complete FSA-770 LCP, item 18 according to Exhibit 18.

Note: Manual FSA-901's shall only be taken if the automated system is not operational or available at the time of application. DD's shall conduct second party reviews for all manually submitted FSA-901's to ensure that manual FSA-901's are loaded in the automated system within 5 workdays *--from the date the participant signs. DD's shall document this review by spot-checking the applicable FSA-770 LCP.

E Modifying FSA-901

Once the participant signs FSA-901, the application **cannot** be modified.

If the participant wants to change or modify any data on a signed FSA-901, the participant--* **must** take the following action before the end of the signup period:

- withdraw FSA-901 by writing "WITHDRAWN" on the hardcopy FSA-901 and initialing and dating next to "WITHDRAWN"
- submit new FSA-901 with correct data
- sign and date new FSA-901.

COC or CED shall review and act on the new FSA-901 according to paragraph 181.

Important: Any FSA-901 submitted after the end of the signup period shall **not** be approved. There are **no** late-file provisions for 2005-2007 LCP.

180 Applying for Benefits (Continued)

F Supporting Documents

*--All supporting documents **must** be completed by the participant and on file in the County--* Office:

- no later than 10 workdays after the end of the signup period
- before FSA-901 may be approved.

Supporting documents include, but are not limited to, the following:

- CCC-502, applicable for 2005, 2006, or 2007
- AD-1026, applicable for 2005, 2006, or 2007
- CCC-526, or other acceptable document according to 1-PL to determine compliance with AGI provisions.

181 Acting on FSA-901

A Approving FSA-901

COC or CED **must** act on **all** completed and signed FSA-901's submitted.

Note: CED's may delegate approval authority to program technicians for routine cases. Program technicians shall **not** be delegated authority to disapprove any FSA-901.

Important: DD review of initial FSA-901's **must** be completed according to subparagraph E before FSA-901's may be approved or disapproved.

--FSA-901 shall be approved or disapproved as certified by the participant. When more-- than 1 type of livestock is claimed on FSA-901, FSA-901 shall be approved or disapproved based on all livestock claimed. **Certain livestock cannot be approved and other livestock disapproved on the same FSA-901.**

Example: Jim Brown executes FSA-901 that includes 100 adult beef cows that meet the livestock eligibility requirements and 5 horses that do not meet the livestock eligibility requirements. COC shall disapprove FSA-901 because **some** livestock claimed are **not** eligible.

*--**Note:** Every effort possible shall be made to ensure that participants are provided with the opportunity to reapply for benefits, including only eligible livestock, **before** the end of signup.--*

181 Acting on FSA-901 (Continued)

A Approving FSA-901 (Continued)

Before approving FSA-901, COC or CED **must**:

- ensure that **all** program eligibility requirements are met
- be satisfied with **all** the following:
 - livestock claimed are eligible livestock according to subparagraph 162 B
 - ~~participant~~ owned or cash leased the claimed livestock on the applicable beginning date listed on FSA-901, item 7
 - reasonableness of the number and type of livestock claimed
 - it knows where the participant's current livestock inventory is physically located to conduct spot checks
 - all signature requirements are met.

Note: See subparagraph B when:

- COC or CED questions any data provided by participant ~~---~~*
- disapproving FSA-901.

181 Acting on FSA-901 (Continued)

B Disapproving FSA-901

COC or CED **must** act on all completed and signed FSA-901's submitted.

Note: CED's may delegate approval authority to program technicians for routine cases. Program technicians shall **not** be delegated authority to disapprove any FSA-901.

Important: DD review of initial FSA-901's must be completed according to subparagraph E before FSA-901's may be approved or disapproved.

--FSA-901 shall be approved or disapproved as certified by the participant. When more-- than 1 type of livestock is claimed on FSA-901, FSA-901 shall be approved or disapproved based on all livestock claimed. **Certain livestock cannot be approved and other livestock disapproved on the same FSA-901.**

Example: Jim Brown executes FSA-901 that includes 100 adult beef cows that meet the livestock eligibility requirements and 5 horses that do not meet the livestock eligibility requirements. COC shall disapprove FSA-901 because **some** livestock claimed are **not** eligible.

*--**Note:** Every effort possible shall be made to ensure that participants are provided with the opportunity to reapply for benefits, including only eligible livestock, **before** the end of signup.

If it is determined that any information provided on FSA-901 is not reasonable or is questionable, additional verifiable documentation or evidence shall be requested from the participant to support the data on the application. Other agencies, organizations, or facilities may be contacted to verify information provided by participants.

Important: See subparagraph C when contacting other agencies, organizations, or facilities to verify information provided by participants.

Exception: COC's shall **not** require tax records; however, participant may voluntarily provide tax records.

If all program eligibility requirements are **not** met, it is determined that the information on FSA-901 or any additional supporting documentation provided by participant is **not** accurate or reasonable, then the following actions shall be taken:

- disapprove FSA-901
- notify participant of disapproval
- provide participant applicable appeal rights according to 1-APP--*
- thoroughly document reason for disapproval in COC minutes, if disapproved by COC.

181 Acting on FSA-901 (Continued)

C Verifying Data With Other Agencies, Organizations, or Facilities

When contacting agencies, organizations, or facilities to verify data provided by a *-participant, the County Office shall be specific in the information requested. The request should include, but is not limited to, the following:

- participant’s name and address
- animal kind and type
- why the request is being made
- what information is being requested.

D STC FSA-901 Review--*

STC, or State Office representative designated by STC, shall review all FSA-901’s executed by State Office employees, COC members, * * * and their spouses. If FSA-901 and all supporting documents meet all applicable requirements, then STC, or designee, shall authorize COC to act on FSA-901.

Notes: If STC designates State Office representative to review FSA-901 executed by State Office employees and their spouses, the designated representative shall **not** review their own or their spouses’ FSA-901.

State Office representatives include DD’s.

181 Acting on FSA-901 (Continued)**E DD Review and Report of Initial FSA-901's**

*--DD's shall review the first five FSA-901's submitted in each Service Center before approval. The review shall include the following:

- ensuring that FSA-901's are submitted by participant and County Office
- signature requirements, including power of attorney, are met
- no State or County Office developed forms, worksheets, applications, or other documents are being used to obtain or collect the data required from participants--*
- participants were informed of supporting data required for payment, such as CCC-502, CCC-526, AD-1026, and accurate subsidiary and SCIMS data.

Within 10 workdays of completing the review, DD shall provide a written report to SED describing the review findings, including a list of errors discovered, and the overall status of the implementation of 2005-2007 LCP in the County Office.

DD review of the initial FSA-901's and supporting documentation submitted is critical to ensuring 2005-2007 LCP is being administered according the procedures provided in this handbook and the regulations in 7 CFR Part 760, Subparts K and L.

Reviewing the initial FSA-901's and supporting documentation in a timely manner:

- identifies possible weaknesses in the administration of 2005-2007 LCP that may be resolved by additional training, clarified procedures, or modified software
- *--prevents numerous participants from being impacted by erroneous 2005-2007 LCP--* administration
- allows corrections to be made in a timely manner before erroneous payments are issued.

182 FSA-901, 2005/2006/2007 Livestock Compensation Program

A Completing Manual FSA-901

Complete FSA-901 according to the following:

Item	Description of Entry
1	Enter State and county code. This is the administrative County Office where the *--participant's farm records are maintained.--*
2	Enter calendar year the loss of forage and additional increased feed costs occurred. Note: If feed losses and additional increased feed costs occurred in 2 different calendar years because of the same disaster events for the same disaster periods; a separate application must be filed for each calendar year to include only the feed lost and additional increased feed costs incurred during that calendar year.
3	Enter County Office name. This is the administrative County Office where the *--participant's farm records are maintained.--*
4	Enter date of application.
PART A – Producer Information	
5	*--Enter participant's name and address.
6	Enter participant's tax ID number (last 4 digits).--*
PART B – Disaster Information	
7	Enter applicable disaster periods in which the feed loss occurred and additional increased feed costs were incurred. Disaster periods can be found at http://disaster.fsa.usda.gov .
8	Enter applicable disaster events that caused the feed loss or increased feed costs. Disaster events can be found at http://disaster.fsa.usda.gov . Note: To be eligible for benefits under 2005-2007 LCP, the disaster events that caused the feed loss or resulted in additional increased feed costs must be the same disaster events for which a natural disaster was declared or designated.
PART C – Livestock Information	
9A	Enter the physical location of livestock on the beginning date of the applicable disaster periods in item 7. Include the name of the County where the feed loss occurred and increased feed costs were incurred. Example: Beaver County; Oklahoma, Farm 1450.
9B	Enter current physical location of livestock in inventory. Example: Beaver County; Oklahoma, Farm 1450.
10	Enter associated participants who have an ownership share or cash lease share of any of the livestock during the applicable disaster periods and indicate their share.
11	Enter livestock kind, type, and weight range. Note: Livestock kind, type, and weight range can be obtained from the *--participant's local FSA office or 2005-2007 LCP Fact Sheet at--* http://disaster.fsa.usda.gov .

182 FSA-901, 2005/2006/2007 Livestock Compensation Program (Continued)

A Completing Manual FSA-901 (Continued)

Item	Description of Entry
12	Enter the number of eligible livestock on the beginning date of the applicable disaster periods in item 7. Check the box if livestock were mitigated (removed as a direct result of the applicable disaster events listed in item 8 during the applicable disaster periods in item 7).
13	*--Enter the participant's ownership or cash lease share in the livestock entered in item 11 on the beginning date of the applicable disaster periods for which a feed loss was suffered or additional feed costs were incurred.--*
PART D – Forage Information	
14A	<p>Enter all pasture types for privately owned/leased land normally used in the operation to support eligible livestock during the applicable disaster periods.</p> <p>Pasture types include the following:</p> <ul style="list-style-type: none"> • forage sorghum • improved • native. <p>Note: Only enter pasture types for Federal or State land if the agreement is by the acre and does not provide for an allotted number of AU's or AUM's that can be grazed for an established period of time.</p>
14B	<p>Enter all pasture types for Federal/State lands under lease or grazing permit normally used in the operation to support eligible livestock during the applicable disaster periods.</p> <p>Pasture types include the following:</p> <ul style="list-style-type: none"> • native • improved • forage sorghum. <p>*--Note: Only enter pasture types for privately leased, Federal, or State land that provide for an allotted number of AU's or AUM's that can be grazed for an established period of time. Pasture types for Federal and State leases expressed in acres and not AU's or AUM's for an established period of time shall be entered in item 14 A.--*</p>

182 FSA-901, 2005/2006/2007 Livestock Compensation Program (Continued)

A Completing Manual FSA-901 (Continued)

Item	Description of Entry
15	<p>Enter number of acres by pasture type, for the pasture types entered in item 14 A, that are normally used in the livestock operation to support eligible livestock during the applicable disaster periods.</p> <p>*--Note: If multiple participants are using the same pasture acres for their livestock during the disaster periods, the acres must be prorated.</p> <p>Example 1: Participant A has 200 head of eligible livestock and Participant B has 75 head, a total of 275 head grazing the same 500 pasture acres.</p> <p>Calculate prorated acres according to the following:</p> <p>Participant A: $200 \text{ head} \div 275 = .7273$ Participant B: $75 \text{ head} \div 275 = .2727$</p> <p>$.7273 \times 500 \text{ acres} = 363.7 \text{ total acres for Participant A}$ $.2727 \times 500 \text{ acres} = 136.3 \text{ total acres for Participant B.}$</p> <p>Example 2: Participant A and Participant B have a 50-50 owner share in 200 head of eligible livestock. The 200 head of eligible livestock graze 500 acres of native pasture.</p> <p>Calculate prorated acres according to the following:</p> <p>$.5000 \times 500 \text{ acres} = 250 \text{ total acres for Participant A}$ $.5000 \times 500 \text{ acres} = 250 \text{ total acres for Participant B.}--*$</p>

182 FSA-901, 2005/2006/2007 Livestock Compensation Program (Continued)

A Completing Manual FSA-901 (Continued)

Item	Description of Entry
16	<p>*--Enter the paid for AUD's for privately leased, Federal/State lands under lease or grazing permit normally used to support eligible livestock for the disaster year.</p> <p>Note: Federal grazing permits and some private/State land leases provide for an allotted number of AU's or AUM's that can be grazed for an established period of time.</p> <p>When the grazing permit or private/State lease provides for an allotted number of AU's that can be grazed for an established period of time, AUD's shall be determined as follows:</p> <p>Ensure that AU's for each specific animal type is converted to an AU equivalent. See the Standard AU Conversion Chart in Exhibit 22.</p> <p>After AU's for a specific animal type is determined, multiply the converted paid for AU's from the grazing permit or private/State lease times the number of days the pasture is normally grazed during the disaster period, not to exceed the smaller of the number of days:</p> <ul style="list-style-type: none"> • grazing is authorized under the permit or private/State lease--* • the specific type of pasture is normally grazed as established under NAP. <p>*--Example: Participant A has an FS permit that allots 100 sheep AU's for grazing for 365 calendar days. Participant A paid for 100 sheep AU's. FS--* permit allows grazing beginning January 1 through December 31. The number of days established under NAP for which the pasture is normally grazed is 365 calendar days.</p> <p>Calculate AUD's according to the following:</p> <p style="margin-left: 40px;">100 sheep AU's x .2 AU's = 20 AU's 20 AU's x 365 calendar days = 7300 AUD's.</p> <p>*--When grazing permits and some private/State land leases provide for an allotted number of AUM's that can be grazed for an established period of time, AUD's shall be determined as follows:</p> <p>Paid for AUM's from the grazing permit or private/State lease times 30 calendar days.</p> <p>Example: Participant B has a BLM permit that allots 280 AUM's. Participant B paid for 280 AUM's. The permit allows grazing beginning--* January 1 through December 31. The number of days established under NAP for which the pasture is normally grazed is 365 calendar days.</p> <p>Calculate AUD's as follows:</p> <p style="margin-left: 40px;">280 AUM's x 30 calendar days = 8,400 AUD's.</p>

182 FSA-901, 2005/2006/2007 Livestock Compensation Program (Continued)

A Completing Manual FSA-901 (Continued)

Item	Description of Entry
17	Enter number of days each pasture type for privately owned/leased land is normally grazed during the calendar year for privately owned/leased land and Federal/State land leased on a per acre basis, not to exceed the normal grazing days established under NAP. Example: Participant A normally grazes his native pasture for 200 calendar days during the calendar year. The normal grazing days established under NAP for the native pasture is 180 calendar days. The maximum days that can be entered is 180 calendar days.
18	Enter producer certified percent of grazing loss * * *.
19	*--Enter COC-adjusted grazing loss percentage according to subparagraph 163 B or C, if applicable.--*
20	Enter amount of prior payments received for: <ul style="list-style-type: none"> • FIP and/or LCP if the application is for 2005 disaster year feed losses, applicable to 2005 hurricanes States only • LAGP if the application is for 2006 disaster year feed losses.
21	Enter the additional cost of feed produced or purchased during the applicable disaster periods that was damaged or destroyed because of an eligible disaster event, including increased feed costs incurred because of an eligible disaster event.
PART E – Producer Certification	
22A and 22B	After reading the certification, participant signs and dates.--*
PART F – County Committee Determination	
23	Enter COC signature.
24	Enter date of COC action.
25	Enter a check in “approved” or “disapproved” box.

183 FSA-902, 2005/2006/2007 Livestock Compensation Program Payment Calculation Worksheet

A Completing FSA-902

Complete FSA-902 according to the instructions in this table.

Item	Description of Entry
1	Enter State and county code. This is the administrative County Office where the *--participant's farm records are maintained.
2	Enter participant's name.
3	Enter COC established maximum average grazing loss percentage for the various types of forage. See subparagraph 163 A for determining maximum average grazing loss for the various types of forage.
4	Enter participant's tax ID number (last 4 digits).--*
5	Enter calendar year (2005, 2006, or 2007) for which LCP benefits are being requested from FSA-901, item 2. This is the calendar year in which the forage losses and additional increased feed costs occurred. Note: If feed losses and additional increased feed costs occurred in 2 different calendar years because of the same disaster events for the same disaster periods, a separate application must be filed for each calendar year to include only the feed lost and additional increased feed costs incurred during that calendar year.
6	Enter the applicable disaster periods from FSA-901, item 7, for the year entered in item 5 in which the feed loss occurred and additional increased feed costs were incurred. The disaster periods can be found at http://disaster.fsa.usda.gov .
PART A – Livestock Information	
7	Enter eligible livestock by kind/type and weight range for the various categories of livestock listed on FSA-901, item 11. Note: Livestock kind, type, and weight range can also be obtained from the *--participant's local FSA office or 2005-2007 LCP Fact Sheet at http://disaster.fsa.usda.gov .
8	Enter the number of head for the various categories of eligible livestock listed on FSA-901, item 12. Note: This is the number of head of livestock the participant owned or cashed leased on the beginning date of the applicable disaster periods in item 6 for each livestock kind, type, and weight range in item 7.
9	Enter participant's ownership or cash lease claimed share in the livestock entered in--* FSA-901, item 7 or 13, on the beginning date of the applicable disaster periods for which a feed loss occurred or additional increased feed costs were incurred.
10	Enter payment rate cost per head found in paragraph 164, or from the 2005-2007 LCP Fact Sheet at http://disaster.fsa.usda.gov .

183 FSA-902, 2005/2006/2007 Livestock Compensation Program Payment Calculation Worksheet (Continued)

A Completing FSA-902 (Continued)

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Item	Description of Entry
11	Enter livestock calculated value by multiplying: <ul style="list-style-type: none"> • number of eligible livestock, in item 8, times • participant's claimed share in item 9, times • payment rate per head, in item 10. The result should be rounded to the nearest whole dollars.
12	Enter the total of column 11.
PART B – Forage Information – Private Land	
13	Enter all pasture types for privately owned/leased land normally used in the operation to support eligible livestock during the applicable disaster periods in item 6. Pasture types include forage sorghum, improved, and native. <p>Note: Only enter pasture types for Federal or State land if the agreement is by the acre and does not provide for an allotted number of AU's or AUM's that can be grazed for an established period of time.</p>
14	Enter number of acres, by pasture type, normally used in the operation to support eligible livestock during the applicable disaster periods in item 6 for privately owned/leased land. <p>Note: If multiple participants are using the same pasture acres for their livestock during the disaster periods, the acres must be prorated.</p> <p>Example 1: Participant A has 200 head of eligible livestock and Participant B has 75 head, a total of 275 head grazing the same 500 pasture acres.</p> <p>Calculate prorated acres according to the following:</p> <p>Participant A: $200 \text{ head} \div 275 = .7273$ Participant B: $75 \text{ head} \div 275 = .2727$</p> <p>$.7273 \times 500 \text{ acres} = 363.7 \text{ total acres for Participant A}$ $.2727 \times 500 \text{ acres} = 136.3 \text{ total acres for Participant B.}$</p> <p>Example 2: Participant A and Participant B have a 50-50 owner share in 200 head of eligible livestock. The 200 head of eligible livestock graze 500 acres of native pasture.</p> <p>Calculate prorated acres according to the following:</p> <p>$.5000 \times 500 \text{ acres} = 250 \text{ total acres for Participant A}$ $.5000 \times 500 \text{ acres} = 250 \text{ total acres for Participant B.}$</p> <p>Note: Only enter pasture types for Federal or State land if the agreement is by the acre and does not provide for an allotted number of AU's or AUM's that can be grazed for an established period of time.</p>

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183 FSA-902, 2005/2006/2007 Livestock Compensation Program Payment Calculation Worksheet (Continued)

A Completing FSA-902 (Continued)

Item	Description of Entry
15	<p>Enter carrying capacity or AC/AU for the applicable type of pasture established by COC/STC.</p> <p>Note: This entry will be the STC-approved carrying capacity for the type of pasture in item 13 as established under NAP.</p>
16	<p>Enter MAU's by dividing acres in item 14 divided by AC/AU in item 15. Round the result to 2 decimal places.</p> <p>Example: 240 acres ÷ 8.0 AC/AU = 30 maximum AU's.</p>
17	<p>*--Enter number of days each pasture type for privately owned/leased land and Federal/State land leased on a per acre basis is normally grazed during the calendar year, not to exceed the normal grazing days established for the specific pasture type under NAP.</p> <p>Example: Participant A normally grazes his native pasture for 200 calendar days during the calendar year. The normal grazing days established under NAP for the native pasture is 180 calendar days. The maximum number of days that can be entered is 180 calendar days.</p>
18	<p>The grazing value has been established at \$0.3553.</p>
19	<p>Enter participants certified percent of grazing loss, not to exceed the county maximum average percent of loss established by COC in item 3 for the various types of forage.</p> <p>Example: Participant certifies that his or her percent of grazing loss for native grass is--* 80 percent. COC established maximum grazing loss for native pasture at 70 percent. The maximum certified grazing loss that can be entered is 70 percent.</p> <p>See subparagraph 163 A for establishing maximum percent of grazing loss for the various types of forage.</p>
20	<p>Enter value of pasture loss by multiplying:</p> <ul style="list-style-type: none"> • MAU's, in item 16, times •*--number of days normally grazed, not to exceed the normal grazing days established for the specific pasture type under NAP, in item 17, times • established grazing value of \$0.3553, in item 18, times • participant's certified grazing loss in item 19, not to exceed COC established grazing loss, in item 3. <p>Round to the nearest whole dollar.</p>
21	<p>Enter total value of pasture loss for private lands and Federal/State land leased on a per acre basis in column 20.--*</p>

183 FSA-902, 2005/2006/2007 Livestock Compensation Program Payment Calculation Worksheet (Continued)

A Completing FSA-902 (Continued)

*--

Item	Description of Entry
PART C – Forage Information – Federal/State Land	
22	<p>Enter all pasture types for privately owned land leased on an AU or AUM basis and Federal/State lands under lease or grazing permit normally used in the operation to support eligible livestock during the applicable disaster periods. Pasture types include native, improved, and forage sorghum.</p> <p>Note: Only enter pasture types for Federal or State land that provide for an allotted number of AU's or AUM's that can be grazed for an established period of time. Pasture types for Federal and State leases expressed in acres and not AU's or AUM's for an established period of time shall be entered in item 13.</p>
23	<p>Enter the paid for AUD's for private/Federal/State lands under lease or grazing permit normally used to support eligible livestock for the disaster year.</p> <p>Notes: Federal grazing permits and some private/State land leases provide for an allotted number of AU's or AUM's that can be grazed for an established period of time.</p> <p>When the grazing permit or private/State lease provides for an allotted number of AU's that can be grazed for an established period of time, AUD's shall be determined as follows:</p> <p>Ensure that AU's for each specific animal type is converted to an AU equivalent. See the Standard AU Conversion Chart in Exhibit 22.</p> <p>After AU's for a specific animal type is determined, multiply the converted paid for AU's from the grazing permit or private/State lease times the number of days the pasture is normally grazed, not to exceed the smaller of the number of days:</p> <ul style="list-style-type: none"> • grazing is authorized under the permit or private/State lease • the specific type of pasture is normally grazed as established under NAP. <p>Example: Participant A has FS permit that allots 100 sheep AU's for grazing for 365 calendar days. Participant A paid for 100 sheep AU's. FS permit allows grazing beginning January 1 through December 31. The number of days established under NAP for which the pasture is normally grazed is 365 calendar days.</p> <p>Calculate AUD's according to the following:</p> <p style="margin-left: 40px;">100 sheep AU's x .2 AU's = 20 AU's 20 AU's x 365 calendar days = 7,300 AUD's.</p>

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183 FSA-902, 2005/2006/2007 Livestock Compensation Program Payment Calculation Worksheet (Continued)

A Completing FSA-902 (Continued)

*--

Item	Description of Entry
23 (Cntd)	<p>When grazing permits and some private/State land leases provide for an allotted number of AUM's that can be grazed for an established period of time, AUD's shall be determined as follows:</p> <p>Paid for AUM's from the grazing permit or private/State lease times 30 calendar days.</p> <p>Example: Participant B has a BLM permit that allots 280 AUM's. Participant B paid for 280 AUM's. The permit allows grazing beginning January 1 through December 31. The number of days established under NAP for which the pasture is normally grazed is 365 calendar days.</p> <p>Calculate AUD's as follows:</p> <p style="text-align: center;">280 AUM's x 30 calendar days = 8,400 AUD's.</p>
24	The grazing value has been established at \$0.3553.
25	<p>Enter participant certified percent of grazing loss, not to exceed the county maximum average percent of loss established by COC in item 3 for the various types of forage.</p> <p>Example: Participant certifies that his or her percent of grazing loss for native grass is 80 percent. COC established maximum average grazing loss for native pasture at 70 percent. The maximum certified grazing loss that can be entered is 70 percent.</p> <p>See subparagraph 163 A for establishing county maximum average percent of grazing loss for the various types of forage.</p>
26	<p>Enter the value of pasture loss by multiplying:</p> <ul style="list-style-type: none"> • AUD's, in item 23, times • established grazing value of \$0.3553, in item 24, times • participant's certified grazing loss in item 25, not to exceed COC established maximum average grazing loss in item 3. <p>Round to the nearest whole dollar.</p>
27	Enter the total value of pasture loss for Federal/State lands in column 26 rounded to whole dollars.
PART D – Additional Feed Costs	
28	<p>Enter the additional cost of feed produced or purchased during the applicable disaster periods that was damaged or destroyed because of an eligible disaster event, including increased feed costs incurred because of an eligible disaster event.</p> <p>Note: See subparagraphs 166 C and D for determining additional cost of feed produced or purchased, including increased feed costs incurred, during the applicable disaster periods during the calendar year.</p>

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183 FSA-902, 2005/2006/2007 Livestock Compensation Program Payment Calculation Worksheet (Continued)

A Completing FSA-902 (Continued)

Item	Description of Entry
PART E – Net Payment Calculation	
29	Enter total livestock calculated value from item 12.
30	Enter total value of pasture loss for private, Federal/State lands by adding the total value of pasture loss for: <ul style="list-style-type: none"> •*--private lands, including Federal/State land leased on a per acre basis, in item 21 • Federal/State lands, including private land leased on an AU or AUM basis, in item 27.
31	Enter value of additional cost of feed produced or purchased, including increased feed costs incurred, from item 28.
32	Enter the total value of feed loss by adding the: <ul style="list-style-type: none"> • total value of pasture loss from item 30, plus • value of additional cost of feed produced or purchased in item 31.
33	Enter the smaller of the total value of either of the following: <ul style="list-style-type: none"> • livestock calculated value in item 29 • feed lost, including increased feed costs incurred, in item 32.--*
34	Enter amount of prior payments received for: <ul style="list-style-type: none"> • FIP and/or LCP if the application is for 2005 disaster year feed losses, applicable to 2005 hurricane States only • LAGP if the application is for 2006 disaster year feed losses.
35	Enter the result of subtracting item 34 from item 33. This is the estimated *--calculated payment for the participant.--*
36A, B, and C	Preparer shall sign, enter title, and date.

183 FSA-902, 2005/2006/2007 Livestock Compensation Program Payment Calculation Worksheet (Continued)

B Example of FSA-902 (Continued)

FSA-902 (08-30-07)				Page 3
LIST OF ELIGIBLE LIVESTOCK BY KIND/TYPE/WEIGHT RANGE AND PAYMENT RATES FOR 2005/2006/2007				
KIND OF LIVESTOCK	TYPE	WEIGHT RANGE	PAYMENT RATE PER HEAD	
Beef	Adult	Cows and Bulls	\$10.66	
	Non-Adult	500 pounds or more	\$ 8.00	
Dairy	Adult	Cows and Bulls	\$27.72	
	Non-Adult	500 pounds or more	\$ 8.00	
Buffalo/Beefalo	Adult	Cows and Bulls	\$10.66	
	Non-Adult	500 pounds or more	\$ 8.00	
Sheep	All		\$ 2.67	
Goats	All		\$ 2.67	
Deer	All		\$ 2.67	
Equine	All		\$ 7.89	
Swine		Less than 45 pounds	\$.32	
		45 to 124 pounds	\$.74	
		125 to 234 pounds	\$ 1.28	
	Sow	235 pounds or more	\$ 4.37	
	Boar	235 pounds or more	\$ 2.56	
Elk		Less than 400 pounds	\$ 2.35	
		400 pounds to 799 pounds	\$ 4.37	
		800 pounds or more	\$ 5.76	
Poultry	All	Less than 3 pounds	\$.07	
	All	3 pounds to 7.9 pounds	\$.13	
	All	8 pounds or more	\$.31	
	All		\$ 2.35	

184 Spot Checks

A Informing Producers

Spot checks are performed to:

- *--verify the accuracy of the data certified by the participant on FSA-901--*
- ensure that all eligibility requirements were met
- determine whether correct payments were issued.

Exhibit 7 provides a list of:

- data elements that may be spot-checked for 2005-2007 LCP
- *--documents or other data that may be requested from participants selected for spot check.

County Offices shall:

- not modify Exhibit 7
- reproduce copies of Exhibit 7 locally
- provide a copy of Exhibit 7 to each participant when FSA-901 is submitted for--* 2005-2007 LCP.

Note: Procedure for conducting spot checks will be provided in a future amendment. County Offices shall **not** conduct any spot checks until procedure is issued from the National Office.

185-198 (Reserved)

200 Application Processing (Continued)

B Available Options

The following table provides an explanation of the options available on Menu MHAJW0.

Action	Result	Use
ENTER "1", "Loss Application", and PRESS "Enter".	Screen MHAJWA01 will be displayed.	The option is used for loading feed loss data for LCP.
ENTER "2", "Signature/Approval Dates", and PRESS "Enter".		The option is used for loading signature/approval dates for LCP applications.
ENTER "3", "Print Producer Application", and PRESS "Enter".	The Printer Selection Screen will be displayed.	The option is used for printing producer FSA-901.
ENTER "5", "Load County Maximum Percent of Grazing Loss", and PRESS "Enter".	Screen MHAJW501 will be displayed.	The option is used for loading the counties maximum percent of grazing loss. See subparagraph 163 A for additional information.

201 County Maximum Percent of Grazing Loss

A Overview

*--Screen MHAJW501 is used to capture the county maximum average percent of grazing loss. A county maximum average percent of grazing loss shall be established by year, by grazing type, for each county. **A county maximum average percent of grazing loss for each year is required before any LCP applications can be entered into the automated system.** Follow instructions in paragraph 163 to establish the county maximum average percent of grazing loss for each grazing type.--*

B Example of Screen MHAJW501

Following is an example of Load County Maximum Grazing Loss Screen MHAJW501.

```

2005 LCP                205-HARTLEY                Entry                MHAJW501
Load County Maximum Grazing Loss          Version: AF63 09/05/2007 07:42 Term H2
-----
                                     Enter this county's Maximum Percent of
                                     Grazing Loss for the 2005 program year.
                                     ... %

Cmd5=Update  Cmd7=End

```

C Action

--County Offices shall enter the highest of the 3 county maximum average percent of grazing loss established according to paragraph 163 for each year.--

209 Load Pasture Data Screen MHAJWK01 (Continued)

C Fields (Continued)

Field	Action
Pasture Type (X to Select)	<p>ENTER "X" under 1 of the following:</p> <ul style="list-style-type: none"> • Improved • Native • No Pasture • Sorghum Forage. <p>"No Pasture" shall be selected if:</p> <ul style="list-style-type: none"> • the producer did not sustain a pasture loss • pasture is not applicable to the livestock for which the producer is applying. <p>Only 1 pasture type can be selected at a time.</p>
Producer Percent of Loss	Enter the producer certified percent of grazing loss * * *.
COC Percent of Loss	Enter the COC percent of grazing loss if COC has determined that the producer's *--percent of grazing loss is incorrect or it exceeds the county maximum average percent of grazing loss for that type of grazing. See subparagraph 163 B or C, as applicable.
Acres	<p>Enter the number of acres, by pasture type, normally used to support eligible livestock for the disaster year.</p> <p>Note: If multiple participants are using the same pasture acres for their livestock, the acres must be prorated according to paragraph 182.--*</p>
Carrying Capacity	Enter the NAP carrying capacity from the National Crop Table for the applicable pasture type.
Number of Days Normally Grazed	Enter the number of days each pasture type for privately owned/leased land is normally grazed, not to exceed the normal grazing days established under NAP.
Animal Unit Days	Enter AUD's for Federal/State lands under lease or grazing permit used to support eligible livestock for the disaster year.

D Action

The following table describes the options available on Screen MHAJWK01.

Option	Result
Cmd4	Screen MHAJWH01 will be displayed.
Cmd5	Screen MHAJWK1A will be displayed.
Cmd7	Menu MHAJW0 will be displayed.
Cmd24	<p>The displayed pasture loss record will be deleted.</p> <p>Note: There must be at least 1 pasture loss record loaded for an application; therefore, if there is only 1 pasture loss record, "Cmd24" cannot be selected. To delete the entire application, delete all livestock share records according to subparagraph 206 D. If there is only 1 pasture loss record and that record is incorrect, the record shall be modified instead of deleted.</p>
Roll	<p>Displays the next pasture loss record that has been loaded.</p> <p>Note: The roll page option will only be available if more than 1 pasture loss record has been loaded.</p>

210 Record More Data Question Screen MHAJWK1A

A Overview

Screen MHAJWK1A provides the opportunity for the user to load another pasture loss record.

B Example of Screen MHAJWK1A

Following is an example of Record More Data Question Screen MHAJWK1A.

```

2005 LCP                205-HARTLEY                Entry                MHAJWK01
Load Pasture Data Screen          Version: AF61  07/21/2007 12:25 Term H2
-----
Producer KENNETH THOMPSON                Pasture Number  1 of  1

Pastur
(X to  Record More Data Question Screen                MHAJWK1A
Percen
      Do you want to record data for another:
      Pasture ..... (Y/N)
If the Privat
or
If the by a G
      Enter=Continue  Cmd4=Previous Screen

Cmd4=Previous Screen  Cmd5=Update  Cmd7=End  Cmd24=Delete  Roll=Page Pastures

```

C Action

ENTER "Y" or "N" to load another pasture loss record for the application and PRESS "Enter".

If:

- "Y" is entered, Screen MHAJWK01 will be displayed with all entries blank
- "N" is entered, FSA-901 will be printed.

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		Text
CCC-184	CCC Check		245, 260, 281, 335
CCC-257	Schedule of Deposit		1
CCC-502	Farm Operating Plan for Payment Eligibility Review		44, 45, 71, 72, 164, 165, 180, 181
CCC-526	Payment Eligibility Average Adjusted Gross Income Certification		71, 72, 180, 181
CCC-770 Eligibility	Eligibility Checklist		240, Ex. 11, 18
FSA-325	Application for Payment of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent		42, 45, 162, 165, 240
FSA-770 LCP	2005/2006/2007 Livestock Compensation Program Application Checklist	Ex. 18	165, 180, 240
FSA-770 LIP	2005/2006/2007 Livestock Indemnity Program Checklist	Ex. 11	45, 71, 240
FSA-900	2005/2006/2007 Livestock Indemnity Program	73	Text, Ex. 7, 11
FSA-900E	Estimated Calculated Payment Report – Producer Summary Report		124, 125, 315, 335
FSA-900E-1	Estimated Calculated Payment Report – Detailed Producer Report		123, 125, 315
FSA-901	2005/2006/2007 Livestock Compensation Program	182	Text, Ex. 7, 18
FSA-901E	Estimated Calculated Payment Report – Producer Summary Report		223, 224, 315, 335
FSA-901E-1	Estimated Calculated Payment Report – Detailed Producer Report		222, 224, 315
FSA-902	2005/2006/2007 Livestock Compensation Program Payment Calculation Worksheet	183	162

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
AC/AU	acre per animal unit	183, 242
ADC	Application Development Center, ITSD	260
AGI	adjusted gross income	Text
APLN	Administrator's Physical Loss Notice	23, 42, 142, 162
AU	animal unit	182, 183, Ex. 22
AUD	animal unit per day	182, 183, 209, 222, 242
AUM	animal unit month	162, 182, 183
CRS	Common Receivable System	Text
DAR	Damage Assessment Report	163
EFT	electronic funds transfer	245, 260, 262, 325, 335
FIP	Feed Indemnity Program	164, 182, 183, 203, 222
IPIA	Improper Payments Information Act of 2002	22, 45, 141, 165
LAGP	Livestock Assistance Grant Program	164, 182, 183, 203, 222
LCP	Livestock Compensation Program	71, Parts 4, 5, and 6, Ex. 2, 7
LIP	Livestock Indemnity Program	224, Parts 2, 3, and 6, Ex. 2, 7
LIP-II	2005 Hurricanes Livestock Indemnity Program II	44, 103
MAU	maximum animal unit	183, 222, 242
PLM	payment limitation amount	46, 167, 241, 243, 336
PPH	producer payment history	Part 6
SCIMS	Service Center Information Management System	46, 72, 102, 167, 181, 202, 336

Re delegations of Authority

None