



Livestock Compensation Program 2005-2007

Overview

The U.S. Department of Agriculture's Farm Service Agency (FSA) Livestock Compensation Program 2005-2007 (LCP) provides benefits to livestock and catfish producers who suffered feed losses or incurred additional feed costs directly resulting from natural disasters occurring between Jan. 1, 2005, and Dec. 31, 2007, 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 U.S. secretary of agriculture.

The "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act) authorizes LCP. President Bush signed the 2007 Act into law on May 25, 2007. The 2007 Act charges USDA with implementing LCP. The 2007 Act provided LCP benefits for livestock producers who suffered feed losses between Jan. 1, 2005, and Feb. 28, 2007. On Dec. 26, 2007, President Bush signed the Consolidated Appropriations Act 2008, which extends LCP

payments to eligible ranchers who suffered livestock feed losses throughout the 2007 crop year before Dec. 31, 2007.

LCP provisions are similar to those administered under the 2005 Hurricanes Livestock Compensation Program implemented in 2006.

Eligible Counties

Producers in primary or contiguous counties declared secretarial disaster areas or counties declared presidential disaster areas between Jan. 1, 2005, and Dec. 31, 2007, are eligible.

Also, producers in primary counties (and contiguous counties) that received an approved Administrator's Physical Loss Notification (APLN), when the APLN is directly associated to a natural disaster designated by President Bush, are eligible.

A list of counties eligible for LCP may be found at: <http://disaster.fsa.usda.gov>.

Eligible Livestock

To be eligible under LCP, livestock must:

- be dairy cattle, beef cattle, buffalo, beefalo, equine, poultry, elk, reindeer, sheep,

- goats, swine or deer that;
- have been physically located in an eligible county on the beginning date of the applicable disaster period;
- have been maintained for commercial use as part of a farming operation on the beginning date of the disaster period; and
- not have been produced and maintained for reasons other than commercial use as part of a farming operation. Such excluded uses include, but are not limited to, wild free roaming animals or animals used for recreational purposes such as pleasure, hunting, pets, roping or for show.

Eligible Producers

To be eligible for LCP, producers must have:

- either owned or cash-leased eligible livestock (but not both for the same livestock) on the beginning date of the applicable disaster period(s); and
- suffered an eligible feed loss from produced or purchased forage or feedstuffs, or incurred additional feed costs as a result of an eligible disaster event(s) during the applicable disaster period(s) and the feed lost or additional incurred feed costs were intended for use with eligible livestock.

Payments

FSA will calculate LCP payments by multiplying the national payment rate for each livestock category (found near the end of this fact sheet) by the number of eligible livestock in each category. The national payment rate represents 61 percent of the cost for corn needed to maintain the specific livestock for 30 days, as determined by FSA.

Producers will not be penalized if they reduced the average number of livestock they owned for grazing during the production year for which assistance is being provided. Producers incurring a loss in more than one of the 2005, 2006 or 2007 calendar years must choose only one year for which they want to receive benefits.

The livestock categories are:

- adult beef cows or bulls;
- non-adult beef cattle, 500 pounds or more;
- adult buffalo or beefalo cows or bulls;
- non-adult buffalo or beefalo, 500 pounds or more;
- adult dairy cows or bulls;
- non-adult dairy cattle, 500 pounds or more;
- goats;
- sheep;
- swine - less than 45 pounds
- swine - 45 to 124 pounds
- swine – 125 to 234 pounds
- swine – sow – 235 pounds or more
- swine – boar – 235 pounds or more;
- equine;
- reindeer;

- elk;
- poultry – less than 3 pounds
- poultry – 3 to 7.9 pounds
- poultry – 8 pounds or more; and
- deer.

Producers may not receive duplicate benefits under LCP for the same loss or any similar loss if they previously received payments under the 2005 Feed Indemnity Program (FIP), 2005 Hurricanes Livestock Compensation Program (LCP), or the 2006 Livestock Assistance Grant Program (LAGP). If a producer received benefits under the 2005 FIP and/or 2005 Hurricanes LCP administered in 2006, the producer will have his/her LCP benefits reduced by the same amount if the producer applies for benefits in calendar year 2005. A producer who applies for benefits under LCP in calendar year 2006 will have their LCP payment reduced by the amount of payment received under the 2006 LAGP.

LCP benefits may not exceed the smaller of the calculated payment rate or the value of the feed loss as determined by FSA. Producers may receive no more than \$80,000 under LCP. An individual or entity whose average adjusted gross income exceeds \$2.5 million for the three years immediately preceding the calendar year for which benefits are requested, is ineligible for LCP benefits unless 75 percent or more of their income is from agriculture.

Catfish Grant Program 2005-2007

Under the Catfish Grant Program 2005-2007 (CGP), USDA will provide grants to states having catfish producers who suffered catfish feed losses. USDA will not administer CGP. Governors or their designees will announce sign-up dates and application procedures for the catfish feed loss program and distribute program payments.

Sign-up

Sign-up for LCP began Sept. 10, 2007. Livestock producers must submit applications in their administrative county FSA office.

Applying for LCP

Livestock producers applying for LCP must submit the following:

- a completed application in their administrative county FSA office;
- adequate proof, as determined by FSA, that the feed loss or incurred additional feed costs:
 - were for the claimed eligible livestock;
 - occurred as a direct result of an eligible disaster event(s) during an eligible disaster period(s) in the calendar year for which benefits are being requested;
 - other supporting documentation necessary to determine the applicant's eligibility. Supporting documents may include, but are not limited to, verifiable purchase records, veterinarian records, bank

or other loan papers, rendering truck receipts, Federal Emergency Management Agency records, National Guard records, written contracts, production records, Internal Revenue Service records, property tax records, private insurance documents, sales records, and similar documents; and

- the application must be filed during the application period.

Other application guidelines include:

- payments may be made for eligible losses suffered by an eligible producer who is now deceased, or a dissolved entity if a currently authorized representative signs the application for payment. Proof of authority to sign for a deceased individual or dissolved entity must be provided. If a producer is a dissolved entity, all former members of the entity at the time of dissolution or their duly authorized representative(s) must sign the application for payment;
- data furnished by the applicant will be used to determine eligibility for program benefits;
- a minor is eligible to apply for program benefits if all eligibility requirements are met and one of the following conditions exist:
 - 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; or

- a bond is furnished under which a surety guarantees any loss incurred for which the minor would be liable as an adult.

National Payment Rates

The chart at the end of this fact sheet provides the per head LCP national payment rates, by livestock category.

For More Information

For more information about FSA and its programs, visit your local USDA Service Center or online at: <http://www.fsa.usda.gov>.

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National Payment Rates			
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