

**For:** State and County Offices

**Disabling the Eligibility and Adjusted Gross Income (AGI) Common Routines for the Livestock Assistance Program (LAP)**

**Approved by:** Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

LAP payments are currently being issued; however, certain producers can not be issued payments because:

- partnerships and joint ventures are paid at the member level under LAP
- producers cannot be added to a farm for 2001.

In October 2003, the rollover process made space for the 2004 subsidiary file year information for the subsidiary files and counties are unable to add producers to a farm for 2001.

**B Purpose**

This notice provides that:

- LAP payment software will no longer read the eligibility files
- specific actions must be taken to ensure that LAP applicants meet required eligibility requirements
- LAP payment limitation records must be updated for the LAP eligible amount by the control county
- LAP software will continue to read only the payment limitation records.

County Offices must ensure that the LAP payment amount for each producer is correct.

<b>Disposal Date</b>	<b>Distribution</b>
August 1, 2004	State Offices; State Offices relay to County Offices

## Notice DAP-193

### 2 County Office Action

#### A County Office Action

County Offices shall ensure that:

- each producer has met all eligibility requirements, including AD-1026, CCC-502, CCC-526, and controlled substance, to be eligible to receive a payment
- the Cattle Feed Program (CFP) and the Livestock Compensation Program (LCP) offset amounts are correct
- LAP payment limitation is set correctly

**Example:** Producer is multi-county with a payment limitation amount of \$20,000 in 2 counties. Producer applies for LAP in 1 county and the **eligible** amount is \$20,221. After subtracting CFP benefits of \$4,209 and LCP benefits of \$4,415, the net covered loss is \$11,597. However, the payment issued by the automated system is \$11,376. The control county must issue more money to equal the eligible amount (\$20,221) to the LAP county to ensure the producer is paid the full LAP amount.

- LAP payment amount is correct.

**Note:** Comparing the Enrollment Application Report (Net Covered Loss) to the Accounting History (EFT Payment or Check Amount) to ensure producers are paid correctly.