

For: California State and Kern, Los Angeles, Santa Barbara, San Bernardino, San Diego, and Ventura County Offices

California Livestock Indemnity Program (LIP)

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Section 102 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Act for FY ending September 30, 2004 (Public Law 108-199), authorizes the Secretary to use not more than \$500,000 of CCC funds to compensate livestock owners who suffered losses in the California wildfires, under LIP.

B Purpose

The purpose of this notice is to:

- announce a signup period for LIP in California for April 19 through June 18, 2004 or such date as determined by DAFP
- provide instructions for:
 - taking applications
 - reviewing and approving applications and supporting documentation
 - submitting payment information on approved applications to DAFP for processing payments.

Disposal Date	Distribution
July 1, 2004	California State Office; State Office relay to Kern, Los Angeles, Santa Barbara, San Bernardino, San Diego, and Ventura County Offices

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2 General Information

A Eligible Disasters

Only livestock losses that occurred as a result of Southern California wildfires in the fall of 2003 and the McNally fire in 2002 are eligible under this program.

Affected counties for:

- 2003 Southern California wildfires are:
 - Los Angeles
 - Santa Barbara
 - San Bernardino
 - San Diego
 - Ventura.
- 2002 McNally fire only Kern County.

B Eligible Owners

Eligible livestock owners for California LIP are those who own or jointly own livestock or poultry and suffer a qualifying loss according to subparagraph A, and is any of the following:

- producer or entity that possesses all of the following:
 - beneficial interest in eligible livestock or poultry
 - financial risk in eligible livestock or poultry
 - citizen of, or legal resident alien in, the United States
- 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.
- Indian tribe of the Indian Self-Determination and Education Assistance Act, or Indian organization or entity chartered under the Indian Reorganization Act, or economic enterprise under the Indian Financing Act of 1974.

C Eligible Livestock

Eligible livestock are beef and dairy cattle; sheep; goats; swine; poultry, including egg-producing poultry; and equine animals used for food or in the production of food. Buffalo and beefalo are also included when maintained on the same basis as beef cattle. See Exhibit 2 for a list of kinds and types of eligible livestock and the applicable payment rates for each kind/type of livestock or poultry.

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3 Payment Rates, Calculations, and Limitations

A Funding

Because the spending authority for California LIP is limited, payments can be issued only after signup has ended and a factor has been determined, if applicable.

B Payment Limitation

A \$50,000 payment limitation applies to each “person” for benefits received under this program. Determine “persons” according to 1-PL. Actively engaged and cash-rent tenant provisions do not apply. Payment limitations must be controlled manually.

C Gross Revenue

Any “person” with qualifying gross revenue in excess of \$2.5 million annually is not eligible to receive benefits under LIP.

D Loss Threshold and Payment

Eligible producers must have suffered a loss in excess of the national normal 12-month mortality rate for the applicable livestock category to be eligible for benefits. Payments will be made only on those losses in excess of the normal mortality threshold times the applicable national payment rate.

Note: The loss threshold is determined as the beginning inventory amount times the normal mortality rate for the applicable livestock category. See Exhibit 2 for normal mortality rate and payment rates.

E Payment Rate

Benefits are based on 65 percent of a value determined by DAFP based on fair market value for the disaster-affected time period. See Exhibit 1 for payment rates.

4 Applications

A Signup

Signup will start **April 19, 2004**, and end **June 18, 2004**, or such other date as determined by the DAFP. After signup has closed the applicable counties will receive a copy of a spreadsheet to complete and send with payment information to DAFP. At that time a factor will be determined, if necessary, and payments will be issued from Kansas City.

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4 Applications (Continued)

B Filing CCC-661

Eligible producers shall file CCC-661 to apply for LIP benefits. See Exhibit 3 for CCC-661. One application can be used when more than one kind/type of livestock is involved.

Example: Producer A shares 50-50 with Producer B in a joint venture in 1 herd of beef cattle. Producer A also has 100 percent interest in chickens and another herd of beef cattle. Only 1 application is necessary for both producers A and B unless the operations have separate ID numbers.

Note: Because all CCC-661's will be completed manually, it will be necessary for county offices to complete a worksheet. See Exhibit 2 for the manual worksheet.

C Signature Requirements

The application for the operation must be submitted by at least 1 eligible livestock owner of the operation. All other livestock owners in the operation must submit signatures by COB 2 weeks after the close of signup. All members of the joint venture shall sign CCC-661. See 1-CM, paragraph 1008, for policy on accepting FAXed signatures.

D Evidence of Disaster

In addition to required documentation in subparagraph E, producers must provide evidence that the loss was reasonably related to the wildfires, including but not limited to:

- newspaper articles or other media reports
- photographs of disaster damage
- veterinarian records
- any other documents available

to confirm that the disaster occurred and was responsible for the livestock losses.

Note: Evidence may be provided by COC or STC if the disaster was widespread and appears to be the cause of the livestock deaths.

4 Applications (Continued)

E Producer Verification of Loss

Producers must provide verification of eligible losses and inventories claimed on CCC-661. Documents providing verification include, but are not limited to, any of or a combination of the following:

- rendering truck receipts or certificates
- receipts of carcass removal from the National Guard or other State or Federal Agencies
- veterinary records
- loan records
- bank statements
- IRS inventory records
- farm credit balance sheets
- property tax records
- sales and purchase receipts
- private insurance documents.

F Third-Party Verifications

COC's may accept a third-party verification of losses as the sole source of verification **only when** the owner certifies in writing that no other form of verification is available. Third-party verifications must include a statement signed by the third party that claims they can account for the loss. The statement shall include the following:

- specific details about how the third party has knowledge of the animal numbers
- affiliation of the third party to the producer with the losses, such as neighbor, hired hand, veterinarian, or other person who would be aware of the losses
- telephone number of the third party
- other details necessary for COC and State Office to make a determination

The verification must be:

- individually documented in the COC minutes
- approved or disapproved by SED.

DD's must concur with third-party verifications for beginning inventory, actual losses, and ending inventory.

Note: FSA employees' personal knowledge is not considered third-party verification.

5 Completing CCC-661

A CCC-661

Any kind of animal loss may be checked for each CCC-661. See Exhibit 3 for CCC-661 and instructions.

B Approving CCC-661

Before approving CCC-661, COC's must determine that the loss was directly related to the wildfire and that the livestock death was the result some other condition or disaster and all signature requirements are met.

Note: If losses are not verified to COC's satisfaction, CCC-661 shall not be approved.

A second party review of the CCC-661 must be made before the COC approves or disapproves the application.

COC's shall approve or disapprove the entire CCC-661.

If CCC-661 is disapproved by COC because all or a portion of the losses do not meet eligibility criteria, and during the appeal process the producer provides evidence that a portion of the losses were the result of the disaster, COC may approve CCC-661 with a reduction in the animal losses approved according to the evidence provided.

C Changing CCC-661

Producers who timely file CCC-661 may change or modify the information on CCC-661 before the end of signup. Any changes to an already approved CCC-661 must be approved by COC.

D Verifying Producer Records

When contacting agencies, organizations, or facilities to verify the producer's records, the County Office shall be specific in the information requested. The request should include, but is not limited to, the following:

- producer's name and address
- animal kind/type
- why the request is being made
- what information is being requested.

This request for information may include providing the agency, organization, or facility with a signed statement from the producer authorizing the release of the information to the County Office.

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5 Completing CCC-661 (Continued)

E Joint Ventures

For joint ventures without a permanent ID number enter the joint venture name in item 2. Enter each individual member's ID and applicable data in Part E. This ensures that payments will be issued to each member's ID number.

Rates and Payments

Use this table for normal mortality rates and to calculate payments on CCC-661W.

Kind	Type	Weight Range	Loss Payment per Head	Normal Mortality
Beef	Nonadult	Less than 400 pounds	\$377.00	2.5%
		400 pounds or more	\$491.66	2.5%
	Adult	Beef Cow	\$609.38	.8%
	Bulls	Bulls	\$794.79	.8%
Dairy	Nonadult	Less than 400 pounds	\$202.80	2.5%
		400 pounds or more	\$455.98	2.5%
	Adult	Mature Cow	\$877.50	.8%
Swine	Sows/Boars/Barrows/Gilts	Over 150 pounds	\$69.03	3%
	Lightweight Barrows/Gilts	50 to 150 pounds	\$35.95	3%
	Feeder Pigs	Under 50 pounds	\$8.78	10%
Sheep	Rams		\$84.50	2%
	Ewes		\$63.38	2%
	Lambs		\$45.25	5.4%
Goats	Bucks		\$65.00	2.5%
	Nannies		\$48.75	2.5%
	Slaughter goats/kids		\$65.00	5%
Chickens	Layers/Roasters		\$5.04	2.5%
	Broilers/Pullets		\$1.41	2.5%
	Chicks		\$0.14	5%
Turkeys	Toms/Fryers/Roasters		\$6.73	6.5%
	Poults		\$0.75	10%
Ducks	Ducks		\$3.25	6.5%
	Ducklings		\$0.52	10%
Geese	Goose		\$6.24	6.5%
	Gosling		\$1.30	10%
Horses			\$455.00	2.5%

Example CCC-661W

CCC-661W is a manual worksheet provided for County Office use in calculating a producer's payment.

This form is available electronically.

CCC-661W (04-13-04) LIVESTOCK LOSS CALCULATION WORKSHEET	U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation			1. FSA COUNTY OFFICE NAME		
	2. APPLICATION NUMBER		3. PRODUCER ID NUMBER			
	4. PRODUCER NAME					
	A. TYPE		B. TYPE		C. TYPE	
5. Enter applicable Livestock Type(s) from Form CCC-661, Item 6 →						
6. Beginning Inventory of Livestock Type (CCC-661, Item 6e).						
7. Total Number of Head Lost (CCC-661, Item 7e).						
8. Mortality Rate for Applicable Livestock Type.						
9. Loss Threshold (Item 6 x Item 8, round to nearest whole number).						
10. Eligible Number of Losses (Item 7 minus Item 9. If Item 7 is less than or equal to Item 9, enter zero and STOP).						
11. Payment Rate for Applicable Livestock Type.						
12. Producers Share (CCC-661, Item 5).						
13. Covered Loss (Item 10 x Item 11 x Item 12). Round to whole dollars.						
14. Total Payment (Add all Type entries in Item 13).				\$		
15. Verify that the producer has no other applications in other counties. If the total of 13 for all applications is less than \$50,000, enter zero. Otherwise, enter the amount that exceeds \$50,000.				\$		
16. Total eligible payment (Item 14 minus Item 15).				\$		
17. Factored Payment (Item 15 times the National Factor).				\$		
18. Signature of Preparer			19. Title of Preparer			20. Date (MM-DD-YYYY)

CCC-661 Instructions and Form

Follow these instructions to complete CCC-661. Photocopy and use CCC-661 for applications.

Item	Instruction
1	This is a manual form. No entry is required.
2	Enter producer’s name.
3	Enter producer’s tax ID number.
4	Enter the location where the loss occurred.
5	<p>Place a check in the applicable box to indicate the animal kind/type reported and enter the appropriate share.</p> <ul style="list-style-type: none"> • Include dairy bulls in the “Beef Bulls” category. • Shares shall be 100 percent for the operation.
6 and 7	<p>As applicable, enter a description of the documents provided by the producer used to determine the number of:</p> <ul style="list-style-type: none"> • animals in inventory before the disaster occurred • animals lost because of the disaster condition • each kind/type of animal if more than 1 kind/type is selected in item 5.
Part E	<p>Producer shall:</p> <ul style="list-style-type: none"> • check the applicable box to indicate annual gross revenue • sign and date.
8-10	<p>COC shall check the applicable boxes to indicate if the:</p> <ul style="list-style-type: none"> • animal losses were the result of the wildfires • producer’s reported animal inventory at the time of disaster, as detailed in Part C, are reasonable and supported by adequate documentation • producer’s reported animal losses, as detailed in Part D, are reasonable and supported by adequate documentation. <p>COC shall also:</p> <ul style="list-style-type: none"> • provide, in detail, the reasons for the COC determinations • document any spot check findings. <p>Note: If the loss is not because of an eligible condition, losses were not reasonable, or the documentation does not support the reported inventory or losses, COC shall check “NO” and disapprove the application in Part G.</p>
Part G	<p>COC shall approve or disapprove CCC-661. The approval or disapproval applies to all types for that kind of livestock.</p> <p>Note: Persons making second party review must initial and date before going to COC. All disapproved applications must be reviewed by DD.</p>

CCC-661 Instructions and Form (Continued)

This form is available electronically.

Form Approved - OMB No. 0560-0179

CCC-661 (04-13-04)	USDA-CCC	1. APPLICATION NUMBER
CERTIFICATION OF LIVESTOCK LOSSES FOR ELIGIBLE DISASTER		

NOTE: The following statements are made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is Pub. L. 105-18. The information will be used to determine eligibility in accordance with the requirements of the regulation for applicants who are requesting Livestock Indemnity Program benefits. Furnishing the requested information is voluntary, however, failure to furnish the requested information will result in a determination of ineligibility for Livestock Indemnity 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. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 651, 1001, 15 USC 714m, and 31 USC 3729, may be applicable to the information provided.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0179. The time required to complete this information collection is estimated to average 1 hour 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. **RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.**

PART A - PRODUCER IDENTIFICATION AND DISASTER OCCURRENCE

2. PRODUCER'S NAME 3. IRS IDENTIFICATION NUMBER	4. Describe the disaster occurrence that caused the livestock losses. (Example: Blizzard conditions and snow and ice.)
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PART B - LIVESTOCK LOSSES BY KIND AND TYPE

5. Check the applicable livestock losses reported and enter your share of the ownership as a percentage. Prepare a separate CCC 661 for each livestock kind and operation.

A. Kind/Type	B. Share	A. Kind/Type	B. Share	A. Kind/Type	B. Share	A. Kind/Type	B. Share	A. Kind/Type	B. Share
Non-Adult Beef-Less than 400lbs/ Buffalo/Beefalo		Non-Adult Dairy Less than 400 lbs.		Ewes		Layer/Roasters		Poult	
				Lambs					
Non-Adult Beef-Over 400lbs/ Buffalo/Beefalo		Non-Adult Dairy More than 400 lbs.		Bucks		Chicks		Geese	
Adult Beef Cow/Beefalo/ Buffalo		Feeder Pigs under 50 lbs.		Nannies		Ducks		Goslings	
		Lightweight Barrows/Gilts 50-150 lbs.							
Beef Bulls		Sow/Boars/ Barrows/Gilts over 150 lbs.		Slaughter Goats/Kids		Ducklings		Horses	
Adult Dairy-Mature Cow		Rams		Broilers/Pullets		Toms/Fryers/ Roasters			

PART C - NUMBER OF LIVESTOCK BEFORE DISASTER AND SUPPORTING DOCUMENTATION

6. Describe the document provided to verify livestock interests inventory at the time of the disaster. Attach copies of documents.

Number of Livestock before disaster loss
Example: Receipt from Harry's Sale Barn for purchase of 25 feeder pigs on November 10, 1998.
25
a.
b.
c.
d.
e. TOTAL →

PART D - DOCUMENTATION TO VERIFY LIVESTOCK LOSSES

7. Describe the document provided to verify livestock losses. Attach copies of documents.

Number of Livestock losses
Example: Rendering receipt for pick up of 10 pigs December 12, 1998.
10
a.
b.
c.
d.
e. TOTAL →

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (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 USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D. C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

CCC-661 Instructions and Form (Continued)

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PART E - PRODUCER'S CERTIFICATION

8A. I hereby certify that all information listed above and on documents attached are true and correct, and all documents provided are true copies of the transaction reported. Providing a false certification to the government is punishable by imprisonment, fines and other penalties. All information provided herein is subject to verification by the Commodity Credit Corporation. The provisions of criminal and civil fraud statutes that apply to this certification, includes 18 U.S.C. 286, 287, 371, 641, 651, 1 001 and 1 014; U.S.C. 714m; and 31 U.S.C. 3729.

8B. I hereby certify that: (Check the appropriate box below before signing.)

- More than 50 percent of my gross annual revenue (receipts) is received from farming and ranching operations and that my gross annual revenue (receipts) from these operations is not in excess of \$2.5 million.
- Fifty percent or less of my gross annual revenue (receipts) is received from farming and ranching operations and that my gross annual revenue (receipts) from all agriculture and non-agricultural sources is not in excess of \$2.5 million.

8C. Producer's Signature	8D. ID Number	8E. Share	8F. Date (MM-DD-YYYY)
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9A. I hereby certify that all information listed above and on documents attached are true and correct, and all documents provided are true copies of the transaction reported. Providing a false certification to the government is punishable by imprisonment, fines and other penalties. All information provided herein is subject to verification by the Commodity Credit Corporation. The provisions of criminal and civil fraud statutes that apply to this certification, includes 18 U.S.C. 286, 287, 371, 641, 651, 1 001 and 1 014; U.S.C. 714m; and 31 U.S.C. 3729.

9B. I hereby certify that: (Check the appropriate box below before signing.)

- More than 50 percent of my gross annual revenue (receipts) is received from farming and ranching operations and that my gross annual revenue (receipts) from these operations is not in excess of \$2.5 million.
- Fifty percent or less of my gross annual revenue (receipts) is received from farming and ranching operations and that my gross annual revenue (receipts) from all agriculture and non-agricultural sources is not in excess of \$2.5 million.

9C. Producer's Signature	9D. ID Number	9E. Share	9F. Date (MM-DD-YYYY)
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10A. I hereby certify that all information listed above and on documents attached are true and correct, and all documents provided are true copies of the transaction reported. Providing a false certification to the government is punishable by imprisonment, fines and other penalties. All information provided herein is subject to verification by the Commodity Credit Corporation. The provisions of criminal and civil fraud statutes that apply to this certification, includes 18 U.S.C. 286, 287, 371, 641, 651, 1 001 and 1 014; U.S.C. 714m; and 31 U.S.C. 3729.

10B. I hereby certify that: (Check the appropriate box below before signing.)

- More than 50 percent of my gross annual revenue (receipts) is received from farming and ranching operations and that my gross annual revenue (receipts) from these operations is not in excess of \$2.5 million.
- Fifty percent or less of my gross annual revenue (receipts) is received from farming and ranching operations and that my gross annual revenue (receipts) from all agriculture and non-agricultural sources is not in excess of \$2.5 million.

10C. Producer's Signature	10D. ID Number	10E. Share	10F. Date (MM-DD-YYYY)
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11A. I hereby certify that all information listed above and on documents attached are true and correct, and all documents provided are true copies of the transaction reported. Providing a false certification to the government is punishable by imprisonment, fines and other penalties. All information provided herein is subject to verification by the Commodity Credit Corporation. The provisions of criminal and civil fraud statutes that apply to this certification, includes 18 U.S.C. 286, 287, 371, 641, 651, 1 001 and 1 014; U.S.C. 714m; and 31 U.S.C. 3729.

11B. I hereby certify that: (Check the appropriate box below before signing.)

- More than 50 percent of my gross annual revenue (receipts) is received from farming and ranching operations and that my gross annual revenue (receipts) from these operations is not in excess of \$2.5 million.
- Fifty percent or less of my gross annual revenue (receipts) is received from farming and ranching operations and that my gross annual revenue (receipts) from all agriculture and non-agricultural sources is not in excess of \$2.5 million.

11C. Producer's Signature	11D. ID Number	11E. Share	11F. Date (MM-DD-YYYY)
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12A. I hereby certify that all information listed above and on documents attached are true and correct, and all documents provided are true copies of the transaction reported. Providing a false certification to the government is punishable by imprisonment, fines and other penalties. All information provided herein is subject to verification by the Commodity Credit Corporation. The provisions of criminal and civil fraud statutes that apply to this certification, includes 18 U.S.C. 286, 287, 371, 641, 651, 1 001 and 1 014; U.S.C. 714m; and 31 U.S.C. 3729.

12B. I hereby certify that: (Check the appropriate box below before signing.)

- More than 50 percent of my gross annual revenue (receipts) is received from farming and ranching operations and that my gross annual revenue (receipts) from these operations is not in excess of \$2.5 million.
- Fifty percent or less of my gross annual revenue (receipts) is received from farming and ranching operations and that my gross annual revenue (receipts) from all agriculture and non-agricultural sources is not in excess of \$2.5 million.

12C. Producer's Signature	12D. ID Number	12E. Share	12F. Date (MM-DD-YYYY)
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CCC-661 Instructions and Form (Continued)

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PART F - COUNTY COMMITTEE REVIEW OF EVIDENCE		
13A. Are the livestock losses due to the declared disaster condition, and are there other losses that would support a finding that the losses were the result of the eligible disaster declaration? If "NO", Disapprove in Part G below.	YES	NO
13B. Describe in detail the reasons for the COC determination.		
14A. Is the producer's reported livestock inventory at the time of the disaster in Part C reasonable and supported by adequate documentation? If "NO", Disapprove in Part G below.	YES	NO
14B. Describe in detail the reasons for the COC determination.		
15A. Are the producer's reported livestock losses in Part D reasonable and supported by adequate documentation? If "NO", Disapprove in Part G below.	YES	NO
15B. Describe in detail the reasons for the COC determination.		
PART G - COUNTY COMMITTEE DETERMINATION		
16A. DETERMINATION: <input type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED	16B. FSA COUNTY OFFICE NAME AND ADDRESS (INCLUDE ZIP CODE)	16C. FSA COUNTY OFFICE TELEPHONE NUMBER (INCLUDE AREA CODE)
16D. COC's SIGNATURE	16E. DATE (MM-DD-YYYY)	