

**For:** State and County Offices

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**Emergency Livestock Relief Program (ELRP) Phase 2 Implementation**

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



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**1 Overview**

**A Background**

The Extending Government Funding and Delivering Emergency Assistance Act (Pub. L. 117-43) directs the Secretary to use \$750 million to provide emergency assistance to livestock producers for losses incurred from a qualifying drought or wildfire in calendar year 2021. ELRP Phase 1 was implemented on April 4, 2022, to assist eligible livestock producers who faced increased supplemental feed costs resulting from forage losses.

ELRP Phase 2 will begin on September 27, 2023, the date of the Notice of Funding Availability (NOFA) publication and will provide additional assistance to ELRP Phase 1 producers for the loss of the value of winter forage from the deterioration of grazing cover due to a qualifying drought or wildfire during the 2021 normal grazing period, which has been exacerbated by a continued lack of precipitation.

To deliver this assistance quickly, FSA will issue ELRP Phase 2 payments using the 2021 LFP and ELRP Phase 1 payment information as proxy to eliminate the requirement for producers to resubmit information for ELRP Phase 2. No action is required for eligible producers to receive ELRP Phase 2 payments.

**B Purpose**

This notice provides:

- State and County Offices with policy and procedure for administering ELRP Phase 2
- specific eligibility and payment calculation provisions for ELRP Phase 2 payments
- ELRP software instructions.

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**Disposal Date**

April 1, 2024

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**Distribution**

State Offices; State Offices relay to County Offices

## Notice ELRP-4

### 1 Overview (Continued)

#### C Contact Information

County Offices will direct questions to the applicable DD or State Office program specialist.

State Offices will direct questions to the appropriate contact according to the following table.

IF the question is about...	THEN contact...
ELRP policy	Kelly Breinig.
ELRP application automation issues	John Ingle.
ELRP payment issues	Barry TerHark.

### 2 Administrative Provisions

#### A Sources of Authority

Following are the sources of authority for ELRP Phase 2:

- Extending Government Funding and Delivering Emergency Assistance Act (Pub. L. 117-43)
- NOFA published on September 27, 2023, available at <https://www.govinfo.gov/content/pkg/FR-2023-09-27/pdf/FR-2023-09-27.pdf>.

#### B Authority and Responsibility

DAFP and the Safety Net Division have the authority and responsibility for ELRP.

#### C Forms

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 approval or clearance by the following applicable office:
  - DAFP
  - Farm Production and Conservation (FPAC)
  - OMB.

Forms, worksheets, applications, and other documents other than those provided in this notice or issued by the National Office:

- are not authorized for ELRP
- must not be used.

## **Notice ELRP-4**

### **3 Responsibilities**

#### **A STC Responsibilities**

Within the authorities and limitations in this notice and NOFA, STC's must:

- direct the administration of ELRP
- ensure that State and County Offices follow ELRP provisions
- handle appeals according to 1-APP
- take oversight actions necessary to prevent County Offices from issuing improper payments
- comply with all ELRP provisions.

#### **B SED Responsibilities**

Within the authorities and limitations in this notice and NOFA, SED's will:

- ensure that County Offices follow ELRP provisions
- handle appeals according to 1-APP
- ensure that ELRP provisions are thoroughly publicized
- immediately notify the National Office ELRP Program Manager of software problems, incomplete or incorrect procedures, specific problems, or findings
- take oversight actions necessary to prevent County Offices from issuing improper payments
- comply with all ELRP provisions
- ensure compliance with regulations, policies, and procedures throughout program delivery.

## **Notice ELRP-4**

### **3 Responsibilities (Continued)**

#### **C DD Responsibilities**

Within the authorities and limitations in this notice and NOFA, DD's will:

- ensure that COC's and County Offices follow ELRP provisions
- ensure that all County Offices publicize ELRP provisions
- immediately notify the National Office ELRP Program Manager, through their State FSA Office specialist responsible for ELRP, of software problems, incomplete or incorrect procedures, specific problems, or findings
- take oversight actions necessary to prevent County Offices from issuing improper payments.

#### **D COC Responsibilities**

Within the authorities and limitations in this notice and NOFA, COC's will:

- fully comply with all ELRP provisions
- ensure that CED directs the County Office to follow all ELRP provisions
- ensure that action is taken immediately in NPS on ELRP Phase 2 payments
- handle appeals according to 1-APP
- ensure that ELRP provisions are publicized
- take oversight actions necessary to prevent the County Office from issuing improper payments
- ensure that FSA assists persons by providing program information as it becomes available, using a variety of different methods.

Fact sheets for emergency assistance authorized by the Extending Government Funding and Delivering Emergency Assistance Act will be available at <https://www.fsa.usda.gov/newsroom/fact-sheets/index>.

## **Notice ELRP-4**

### **3 Responsibilities (Continued)**

#### **E CED Responsibilities**

Within the authorities and limitations in this notice and NOFA, CED's will:

- fully comply with all ELRP provisions
- ensure that staff fully comply with all ELRP provisions
- ensure that action is taken immediately in NPS on ELRP Phase 2 payments
- issue any adverse determination letter according to 1-APP
- ensure that all program eligibility requirements have been met by producers before issuing any payment
- handle appeals according to 1-APP
- thoroughly document all actions taken in the COC minutes
- immediately notify SED's, through DD's, of software problems, incomplete or incorrect procedures, specific problems, or findings
- take oversight actions necessary to prevent County Offices from issuing improper payments
- ensure that FSA assists persons by providing program information as it becomes available, using a variety of different methods.

#### **F PT Responsibilities**

Within the authorities and limitations in this notice and NOFA, PT's will:

- fully comply with all ELRP provisions
- immediately notify CED of software problems, incomplete or incorrect procedures, or specific problems
- ensure that all program eligibility requirements have been met by producers and supporting documentation have been completed before submitting to CED for accuracy and issuing any payments made
- ensure compliance with regulations, policies, and procedures throughout program delivery.

### 3 Responsibilities (Continued)

#### G Producer Responsibilities

Producers are responsible for:

- being aware of program provisions
- ensuring that all required information as applicable on 2021 CCC-853 and supporting eligibility documents were accurately reported or completed.

**Note:** The calculation of ELRP Phase 1 payments was based on 2021 CCC-853 and supporting eligibility documents, and the calculation of ELRP Phase 2 payments will be based on the ELRP Phase 1 payment information.

- retaining documentation in support of their application for 3 years after the date of approval.

Participants receiving ELRP payments, or any other person who provides this supporting information to USDA, must permit USDA or GAO authorized representatives during regular business hours to:

- enter the agricultural operation
- inspect, examine, and make copies of books, records, or other items for the purpose of confirming the accuracy of the information provided by the participant.

Programs administered by DAFP require accurate information from producers. Producers must understand that failure to provide complete and accurate information and records could result in the following:

- ELRP assistance being disapproved, COC adjusted, or approved but ineligible for payment
- producers being determined ineligible for FSA programs for the year or multiple years
- producers being liable under civil or criminal fraud statute or any statute or provision of law.

## **Notice ELRP-4**

### **4 Provisions and General Administration That Apply to ELRP**

#### **A Provisions Requiring Refund to FSA**

If any ELRP payment resulted from erroneous information reported by the producer, or if the producer's 2021 LFP payment is recalculated after ELRP payments are issued, the ELRP payments will be recalculated and the producer must refund any excess payment to FSA, including interest to be calculated from the date of the disbursement to the producer.

If FSA determines that the producer intentionally misrepresented information used to determine the producer's ELRP payments, the 2021 LFP application will be disapproved and the producer must refund the full payment to FSA with interest from the date of disbursement. Required refunds must be resolved according to debt settlement regulations in 7 CFR Part 3.

#### **B General Administration**

General requirements that apply to other FSA-administered commodity programs also apply to ELRP, including compliance with the provisions of 7 CFR Part 12 and 7 CFR 718.6, which address ineligibility for benefits for offenses involving controlled substances. Appeal regulations in 7 CFR Parts 11 and 780, and equitable relief and finality provisions in 7 CFR Part 718, subpart D, apply to determinations under ELRP. The determination of matters of general applicability that are not in response to, or result from, an individual set of facts are not matters that can be appealed. These matters of general applicability include, but are not limited to, the ELRP eligibility criteria and payment calculation.

DAFP has the discretion and authority to waive or modify filing deadlines and other requirements or program provisions not specified in law, in cases where DAFP determines whether it is equitable to do so and where DAFP finds that the lateness or failure to meet these other requirements or program provisions do not adversely affect the operation of ELRP. Although producers have a right to a decision on whether they filed applications by the deadline or not, producers have no right to a decision in response to a request to waive or modify deadlines or program provisions. DAFP's refusal to exercise discretion to consider the request will not be considered an adverse decision and is, by itself, not appealable.

Any payment under ELRP will be made without regard to questions of title under State law and without regard to any claim or lien. The regulations governing offsets in 7 CFR Part 3 apply to ELRP payments.

## Notice ELRP-4

### 4 Provisions and General Administration That Apply to ELRP (Continued)

#### B General Administration (Continued)

Producers participating in ELRP are subject to laws against perjury and any penalties and prosecution resulting therefrom, with these laws including, but not limited to, 18 U.S.C. 1621. If the producer willfully makes and represents as true any verbal or written declaration, certification, statement, or verification that the producer knows or believes not to be true, in the course of either applying for or participating in ELRP, or both, then the producer is guilty of perjury and, except as otherwise provided by law, may be fined or imprisoned for not more than 5 years, or both, regardless of whether the producer makes this verbal or written declaration, certification, statement, or verification within or outside the United States.

For the purposes of the effect of a lien on eligibility for Federal programs (28 U.S.C. 3201(e)), USDA waives the restriction on receipt of funds under ELRP but only as to beneficiaries who, as a condition of the waiver, agree to apply ELRP payments to reduce the amount of the judgment lien.

In addition to any other Federal laws that apply to ELRP, the following laws apply:

- 15 U.S.C. 714
- 18 U.S.C. 286, 287, 371, and 1001.

#### C Prevention of Improper Payments and Internal Control Plan

The Payment Integrity Information Act of 2019 requires Federal agencies to evaluate programs to determine whether internal controls are sufficient to prevent improper payments. County Offices must take all necessary steps to ensure that program and payment eligibility requirements have been met before issuing payments. FSA will announce the Internal Control Plan for ELRP in a future notice since there will be no producer application for ELRP Phase 2 and payments will process automatically.

#### D Definition of Improper Payment

Improper payment, as defined by OMB, means any payment that should not have been issued or was issued in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirement.



## 5 ELRP Phase 2 General Information, Program Policies, and Provisions

### A General Information

Livestock producers who suffered losses because of drought or wildfire in calendar year 2021 may be eligible for ELRP emergency assistance. Drought and wildfire eligibility for ELRP will be the same as outlined in 7 CFR Part 1416, subpart C. For drought, this includes any area within the county that was rated by the U.S. Drought Monitor as having a D2 (severe drought) for 8 consecutive weeks or a D3 (extreme drought) or higher level of drought intensity during the applicable year. For wildfire, the event must have occurred on rangeland that is managed by a Federal agency and the eligible livestock producer was prohibited by the Federal agency from grazing the normal permitted livestock on the managed rangeland because of a fire. See the wildfire definition in subparagraph B.

FSA will assist livestock producers through ELRP Phase 2 for the loss of the value of winter forage from the deterioration of grazing cover due to a qualifying drought or wildfire during 2021 normal grazing period, which has been exacerbated by a continued lack of precipitation. ELRP Phase 2 will provide assistance for a portion of the loss of winter grazing in 2021 based on the Phase 1 payment which used the number of animal units (AU), limited by available grazing acreage, in eligible drought and wildfire counties. To deliver this assistance quickly, FSA is using the ELRP Phase 1 payment calculation data as a proxy to issue an additional payment equal to 20 percent of the gross ELRP Phase 1 payment for the loss of the value of winter forage, eliminating the requirement for producers to resubmit information for ELRP Phase 2.

FSA identified that according to the US Drought Monitor, more than one-third of the country was categorically in a “D-2 Severe” to “D-4 Exceptional” drought throughout the entire calendar year 2021. Drought and wildfire caused economic hardship on producers that were reliant on rangeland, requiring them to purchase supplemental feed at elevated prices to sustain production throughout 2021. These conditions were not isolated to only the normal grazing period time frames resulting in directly impacting access to winter grazing. ELRP Phase 1 compensated 57-69 percent of the calculated increased supplemental feed costs.

Using the loss analysis and to deliver assistance within available funding, the ELRP Phase 2 payment will be equal to 20 percent of the gross ELRP Phase 1 calculated payment to compensate for the loss of the value of winter forage directly affected by drought and wildfire conditions during the 2021 normal grazing period, which was not compensated by LFP or ELRP Phase 1. This ELRP Phase 2 payment is intended to represent a reasonable approximation of 44-52 percent of the calculated winter grazing loss per animal unit per month based on the percentage of normal precipitation data as of October 1, 2021.

## Notice ELRP-4

### 5 ELRP Phase 2 General Information, Program Policies, and Provisions (Continued)

#### B Definitions

The definitions in 7 CFR Parts 718, 1400, and 1416 apply to ELRP Phase 2, except as otherwise provided in this notice. The following definitions also apply.

Average adjusted gross farm income means the average of the person or legal entity's adjusted gross income derived from farming, ranching, or forestry operations for the 3 taxable years preceding the most immediately preceding complete taxable year.

(a) If the resulting average adjusted gross farm income derived from items 1 through 12 of the definition of income derived from farming, ranching and forestry operations is at least 66.66 percent of the average adjusted gross income of the person or legal entity, then the average adjusted gross farm income may also take into consideration income or benefits derived from the following:

(1) The sale of equipment to conduct farm, ranch, or forestry operations; and

(2) The provision of production inputs and services to farmers, ranchers, foresters, and farm operations.

(b) The relevant tax years for the 2021 program year are 2017, 2018, and 2019.

Beginning farmer or rancher means a farmer or rancher who has not operated a farm or ranch for more than 10 years and who materially and substantially participates in the operation. For a legal entity to be considered a beginning farmer or rancher, at least 50 percent of the interest must be beginning farmers or ranchers.

Income derived from farming, ranching, and forestry operations means income of an individual or entity derived from:

- production of crops, specialty crops, and unfinished raw forestry products
- production of livestock, aquaculture products used for food, honeybees, and products derived from livestock
- production of farm-based renewable energy
- selling (including the sale of easements and development rights) of farm, ranch, and forestry land, water or hunting rights, or environmental benefits
- rental or lease of land or equipment used for farming, ranching, or forestry operations, including water or hunting rights

## Notice ELRP-4

### 5 ELRP Phase 2 General Information, Program Policies, and Provisions (Continued)

#### B Definitions (Continued)

- processing, packing, storing, and transporting farm, ranch, and forestry commodities, including renewable energy
- feeding, rearing, or finishing of livestock
- payments of benefits, including benefits from risk management practices, crop insurance indemnities, and catastrophic risk protection plans
- sale of land that has been used for agricultural purposes
- payments and benefits authorized under any program made available and applicable to payment eligibility and payment limitation rules
- income reported on the IRS Schedule F or other schedule used by the person or legal entity to report income from these operations to the IRS
- wages or dividends received from a closely held corporation, and Interest Charge Domestic International Sales Corporation or legal entity comprised entirely of family members when more than 50 percent of the legal entity's gross receipts for each tax year are derived from farming, ranching, or forestry activities as defined in this subparagraph
- any other activity related to farming, ranching, and forestry, as determined by DAFP.

LFP means the Livestock Forage Disaster Program under section 1501 of the Agricultural Act of 2014 (7 U.S.C. 9081) and 7 CFR Part 1416, subpart C.

Limited resource farmer or rancher means a farmer or rancher who is both of the following:

- a person whose direct or indirect gross farm sales did not exceed \$179,000 (the amount applicable to the 2021 program year) in each of the 2018 and 2019 calendar years
- a person whose total household income was at or below the national poverty level for a family of 4 in each of the same 2 previous years referenced in the first bullet of this definition.

Limited resource farmer or rancher status can be determined using the NRCS Limited Resource Farmer/Rancher Self-Determination Tool at <https://lrftool.sc.egov.usda.gov>.

**Note:** For an entity to be considered a limited resource farmer or rancher, all members who hold an ownership interest in the entity must meet the criteria in both bullets of this definition.

**5 ELRP Phase 2 General Information, Program Policies, and Provisions (Continued)**

**B Definitions (Continued)**

Ownership interest means to have either a legal ownership interest or a beneficial ownership interest in a legal entity. For the purposes of administering ELRP, a person or legal entity that owns a share or stock in a legal entity that is a corporation, limited liability company, limited partnership, or similar type entity where members hold a legal ownership interest and shares in the profits or losses of such entity is considered to have an ownership interest in such legal entity. A person or legal entity that is a beneficiary of a trust or heir of an estate who benefits from the profits or losses of such entity is considered to have a beneficial ownership interest in such legal entity.

Socially disadvantaged farmer or rancher means a farmer or rancher who is a member of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. For entities, at least 50 percent of the ownership interest must be held by individuals who are members of such a group. Socially disadvantaged groups include the following and no others unless approved in writing by DAFP:

- American Indians or Alaskan Natives
- Asians or Asian Americans
- Blacks or African Americans
- Hispanics or Hispanic Americans
- Native Hawaiians or other Pacific Islanders
- Women.

Underserved farmer or rancher means a beginning farmer or rancher, limited resource farmer or rancher, socially disadvantaged farmer or rancher, or veteran farmer or rancher.

U.S. Drought Monitor is a system for classifying drought severity according to a range of abnormally dry to exceptional drought. It is a collaborative effort between Federal and academic partners, produced on a weekly basis, to synthesize multiple indices, outlooks, and drought impacts on a map and in narrative form. This synthesis of indices is reported by the National Drought Mitigation Center at <http://droughtmonitor.unl.edu>.

## Notice ELRP-4

### 5 ELRP Phase 2 General Information, Program Policies, and Provisions (Continued)

#### B Definitions (Continued)

Veteran farmer or rancher means a farmer or rancher who has served in the Armed Forces (as defined in 38 U.S.C. 101(10)) and has done either of the following:

- has not operated a farm or ranch for more than 10 years
- has obtained status as a veteran (as defined in 38 U.S.C. 101(2)) during the most recent 10-year period.

**Note:** For an entity to be considered a veteran farmer or rancher, at least 50 percent of the ownership interest must be held by members who have served in the Armed Forces and meet the criteria in both bullets of this definition.

Wildfire for ELRP Phase 2 means fire as used in 7 CFR Part 1416, subpart C.

#### C Eligible Livestock Producer for ELRP Phase 2

Eligible livestock producers for ELRP Phase 2 are producers with an approved 2021 LFP application and received an ELRP Phase 1 payment. For ELRP Phase 2, the eligibility criteria applicable to LFP (7 CFR part 1416, subparts A and C) also applies to ELRP Phase 2, excluding the LFP average adjusted gross income (AGI) limitation. FSA will use livestock inventories, forage acreage, restricted animal units and grazing days due to fire, and drought intensity levels already reported to FSA for the 2021 Livestock Forage Disaster Program Application CCC-853 and the ELRP Phase 1 payment to determine eligibility and calculate an ELRP Phase 2 payment. Eligible livestock producers are not required to submit an application for ELRP Phase 2; however, they must have the following additional forms on file with FSA within 60-days of the ELRP Phase 2 deadline announced by the Deputy Administrator to be eligible to receive a payment:

- AD-2047 for each applicant and entity member, if applicable
- CCC-902
- CCC-901, if applicable
- AD-1026 according to 6-CP.

#### D Increased Payment Limitation

For a producer to be eligible for a payment based on the increased payment limitation as described in this subparagraph, an FSA-510 for each applicant and entity member, if applicable, must be submitted within 60 calendar days of the ELRP Phase 2 deadline announced by DAFP.

**Note:** The eligibility criteria applicable to LFP (7 CFR Part 1416, subparts A and C) also applies to ELRP Phase 2, excluding the LFP average AGI limitation.

**5 ELRP Phase 2 General Information, Program Policies, and Provisions (Continued)**

**E AGI, Payment Limitation, Attribution of Payments, and Minor Child Provisions**

AGI limitations according to 6-PL do not apply to ELRP; however, the payment limitation for ELRP is determined by the person's or legal entity's average farm AGI (income derived from farming, ranching, and forestry operations). Specifically, a person or legal entity, other than a joint venture or general partnership, cannot receive, directly or indirectly, more than \$125,000 in payments under ELRP if their average farm AGI is less than 75 percent of their average AGI for tax years 2017, 2018, and 2019. If at least 75 percent of the person's or legal entity's average AGI is derived from farming-, ranching-, or forestry-related activities, and the participant provides the required certification and documentation as discussed in this subparagraph, the person or legal entity, other than a joint venture or general partnership, is eligible to receive, directly or indirectly, up to \$250,000 in ELRP payments.

The relevant tax years for establishing a producer's AGI and percentage derived from farming-, ranching-, or forestry-related activities for ELRP are 2017, 2018, and 2019. To receive more than \$125,000 in ELRP payments, producers must submit FSA-510, accompanied by a certification from a certified public accountant or attorney as to that person's or legal entity's certification. If a producer requesting the \$250,000 payment limitation is a legal entity, all members of that entity must also complete FSA-510 and provide the required certification. If a legal entity could be eligible for the \$250,000 payment limitation based on the legal entity's average AGI from farming-, ranching-, or forestry-related activities, but a member of that legal entity either does not complete FSA-510 and provide the required certification or is not eligible for the \$250,000 payment limitation, the payment to the legal entity will be reduced by the amount that represents the portion of the payment attributed to that member, in excess of the member's payment limitation.

A payment made to a legal entity will be attributed to those members who have a direct or indirect ownership interest in the legal entity unless the payment of the legal entity has been reduced by the proportionate ownership interest of the member because of that member's ineligibility.

Attribution of payments made to legal entities will be tracked through 4 levels of ownership in legal entities as follows.

- First level of ownership: Any payment made to a legal entity that is owned in whole or in part by a person will be attributed to the person in an amount that represents the direct ownership interest in the first-level or payment legal entity.
- Second level of ownership: Any payment made to a first-level legal entity that is owned in whole or in part by another legal entity (referred to as a second-level legal entity) will be attributed to the second-level legal entity in proportion to the ownership of the second-level legal entity in the first-level legal entity. If the second-level legal entity is owned in whole or in part by a person, the amount of the payment made to the first-level legal entity will be attributed to the person in the amount that represents the indirect ownership in the first-level legal entity by the person.

## Notice ELRP-4

### 5 ELRP Phase 2 General Information, Program Policies, and Provisions (Continued)

#### E AGI, Payment Limitation, Attribution of Payments, and Minor Child Provisions (Continued)

- Third and fourth levels of ownership: Except as provided in the second level of ownership bullet and in the fourth level of ownership bullet, any payments made to a legal entity at the third and fourth levels of ownership will be attributed in the same manner as specified in the second level of ownership bullet.
- Fourth level of ownership: If the fourth level of ownership is that of a legal entity and not that of a person, a reduction in payment will be applied to the first-level or payment legal entity in the amount that represents the indirect ownership in the first-level or payment legal entity by the fourth-level legal entity.

Payments made directly or indirectly to a person who is a minor child will not be combined with the earnings of the minor's parent or legal guardian.

A producer who is a legal entity must provide the names, addresses, ownership shares, and valid taxpayer identification numbers of the members holding an ownership interest in the legal entity. Payments to a legal entity will be reduced in proportion to a member's ownership share when a valid taxpayer identification number for a person or legal entity who holds a direct or indirect ownership interest of less than 10 percent, at the first through fourth levels of ownership in the business structure, is not provided to FSA. Additionally, a legal entity will not be eligible to receive a payment when a valid taxpayer identification number for a person or legal entity holding a 10 percent or greater direct or indirect ownership interest at or above the fourth level of ownership in the business structure, is not provided to FSA.

If an individual or legal entity is not eligible to receive ELRP payments because of the individual or legal entity failing to satisfy payment eligibility provisions, the payment made either directly or indirectly to the individual or legal entity will be reduced to zero. The amount of the reduction for the direct payment to the producer will be commensurate with the direct or indirect ownership interest of the ineligible individual or ineligible legal entity. Like other programs administered by FSA, payments made to an Indian Tribe or Tribal organization, as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304), will not be subject to payment limitation.

## Notice ELRP-4

### 6 ELRP Phase 2 Payment Calculation

#### A Payment Calculation

The ELRP Phase 2 payment will be equal to the eligible livestock producer's gross 2021 ELRP Phase 1 calculated payment multiplied by 20 percent. The same percentage will be applied to underserved farmers and ranchers and all other producers. If funding remains available after initial payments, an additional payment(s) may be issued, not to exceed 80 percent of the calculated winter grazing loss per animal unit per month based on the percentage of normal precipitation data as of October 1, 2021.

FSA will issue ELRP Phase 2 payments as ELRP Phase 1 payments are processed and approved. If a producer files CCC-860 or FSA-510 and the accompanying certification by the deadline announced by DAFP, but after their ELRP Phase 2 payment is issued, FSA will recalculate the ELRP Phase 1 and Phase 2 payment and issue the additional calculated amount as applicable until the ELRP deadline is announced by DAFP.

#### B ELRP Phase 2 Payment Calculation Example

Cooper Floyd's ELRP Phase 1 gross calculated payment was \$42,093. His gross ELRP Phase 1 payment of \$42,903 multiplied by the 20 percent, results in an estimated gross ELRP Phase 2 payment of \$8,419.

### 7 ELRP Application Selection Software

#### A Overview

The ELRP Application Selection Software is:

- available at <https://int1-intranet-apps.fsa.usda.gov/intranet-apps/elrpphase2/app/search>
- with a centralized database
- accessed by State and county FSA employees to **view** application details.

**Note:** For Phase 2, applications are in a view-only mode.

ELRP Phase 2 payments are automatically generated from approved 2021 ELRP Phase 1 applications. There are different eligibility requirements between LFP and ELRP; therefore, an ELRP application software system was developed to create an automatic ELRP application from an approved 2021 LFP application to process through the subsidiary and payment software. ELRP applications will automatically be created nightly based on updates in the LFP application software system from the proceeding day.



## Notice ELRP-4

### 7 ELRP Application Selection Software (Continued)

#### A Overview (Continued)

LFP applications that were approved in the LFP application software and approval status has subsequently changed, the following will occur:

- ELRP application will be updated to a suspended status
- ELRP obligation will be reduced to zero.

**Note:** If an application is canceled in the LFP application software system, the corresponding application in ELRP will be reduced to zero and the application will no longer show on the Application Selection Screen in the ELRP system.

#### B Example of Application Selection Screen

The following is an example of the Application Selection Screen.

App ID	Producer	Physical State-County	Application Status	COC Determination	COC Obligation Status
1286	SMI	Alabama-Clarke	Initiated		

## Notice ELRP-4

### 7 ELRP Application Selection Software (Continued)

#### C Field Descriptions and Actions

The following table provides the descriptions and actions for the Application Selection Screen.

Field/Button	Description/Action	
Program Year	Displays the year based on the LFP application.	
State	Displays the State name and State code.	
County	Displays the county name and county code.	
Customer Search	Allows the user to search for a specific applicant.	
View	Allows the user to view a selected application.	
ECPR	Allows the user to view a selected Estimated Calculated Payment Report (ECPR).	
Navigate to Producer Name Starting With	Displays a list of the first letter of all applicants' last names. By selecting a letter, the page will navigate down to the last names starting with that letter.	
ELRP App ID	Application ID of the application that was created in ELRP.	
LFP App ID	Application ID of the application in LFP for which the ELRP application was created.	
Producer	Name of the producer for which the LFP application was created.	
LFP Location State-County	The location State and county for which the LFP application was created.	
Application Status	<b>Indicator</b>	<b>Description</b>
	Suspended	The ELRP application will be suspended when the application that it is based on in LFP is no longer approved but is still active. A suspended application will not have an obligated amount greater than zero.
	Approved	An ELRP application is approved when there is a corresponding LFP-approved application.  Approved applications have obligated an amount for payment.
	Pending Obligation	An ELRP application is pending obligation when there is an LFP-approved application and, therefore, an ELRP application has been created and is ready for a payment.  Pending obligation applications have either not tried to obligate yet or have tried and failed.
	De-obligated	An ELRP application is de-obligated when the National Office determines it should no longer be obligated.

## Notice ELRP-4

### 7 ELRP Application Selection Software (Continued)

#### B Field Descriptions and Actions (Continued)

Field/Button	Description/Action	
Obligation Status	<b>Indicator</b>	<b>Description</b>
	Approved	Obligation has successfully occurred.
	Failed	Obligation has failed because of a technical-related reason. Click on the link for a more detailed explanation of the reason.
	Rejected	Obligation has failed because of a business-related reason. Click on the link for a more detailed explanation of the reason.
	Not Required	Obligation was not determined to be needed. Usually occurs when the obligation amount is zero.
Payment Suspended	Application payment has been suspended by the National Office. The system will no longer receive nightly updates for this application from LFP.	

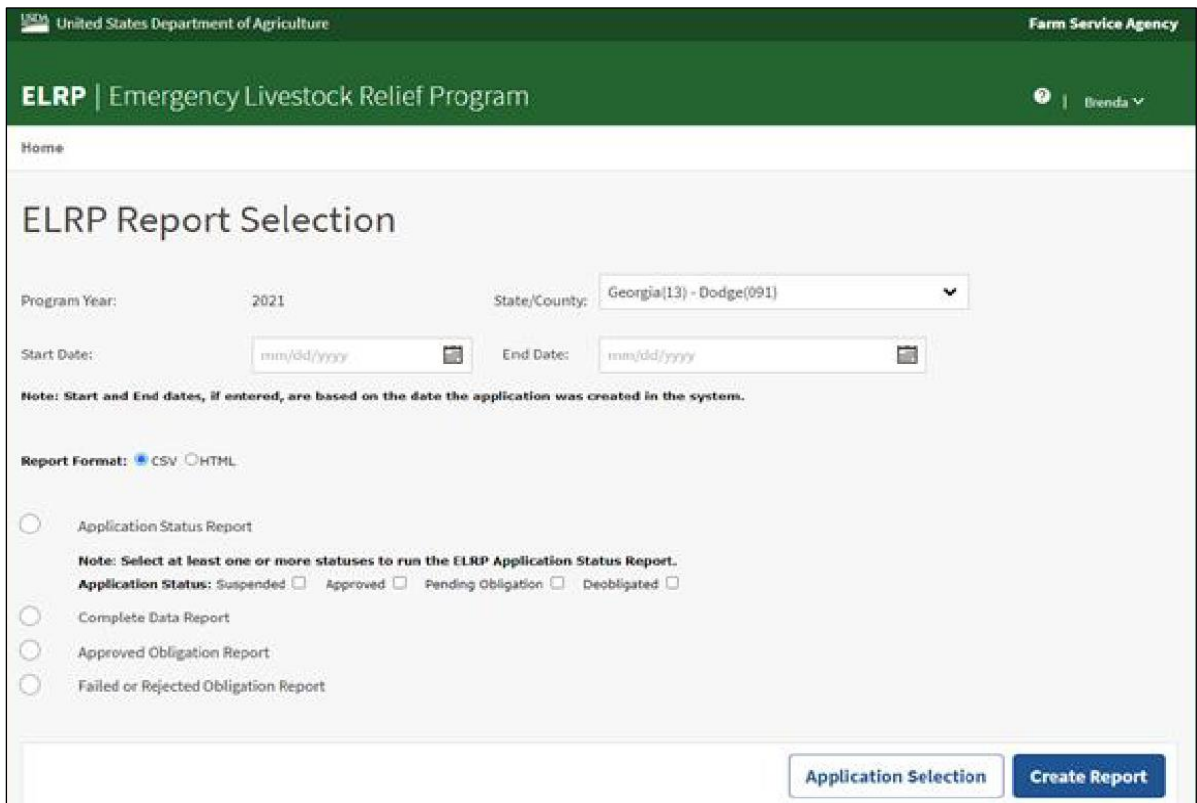
## 8 ELRP Application Software Reports

### A Overview

Several application reports are available within the application software to assist State and County Offices with monitoring the various pandemic programs.

### B Example of ELRP Report Selection Screen

The following is an example of the ELRP Report Selection Screen.



The screenshot shows the 'ELRP Report Selection' screen within the 'Farm Service Agency' application. The header includes the USDA logo and 'United States Department of Agriculture'. The main title is 'ELRP | Emergency Livestock Relief Program'. A user profile for 'Brenda' is visible in the top right. The screen contains several input fields: 'Program Year' set to '2021', 'State/County' set to 'Georgia(13) - Dodge(091)', 'Start Date' and 'End Date' with date pickers, and a 'Report Format' section with radio buttons for 'CSV' (selected) and 'HTML'. Below these are five report type options, each with a radio button: 'Application Status Report', 'Complete Data Report', 'Approved Obligation Report', and 'Failed or Rejected Obligation Report'. A note states: 'Note: Select at least one or more statuses to run the ELRP Application Status Report.' Under this note, there are checkboxes for 'Application Status: Suspended', 'Approved', 'Pending Obligation', and 'Deobligated'. At the bottom right, there are two buttons: 'Application Selection' and 'Create Report'.

### C Field Descriptions and Actions

To create a report, select the:

- State and county
- start and end dates (optional and used when the user wants a specific date range)
- desired report format (either CSV or HTML)
- report type.

## 8 ELRP Application Software Reports (Continued)

### C Field Descriptions and Actions (Continued)

The following table provides the report and descriptions available to all users.

Field/Report	Description
Program Year	Displays the program year.
State/County	<ul style="list-style-type: none"> <li>Displays the State selected on the Home Screen. Users can change the selected State from the down-down menu.</li> <li>Displays the county selected on the Home Screen. If the State is changed, the user will be required to select the applicable county.</li> </ul>
Start Date	Enter the start date for the report. Leave blank if for all date ranges.
End Date	Enter the end date for the report. Leave blank if for all date ranges.
Application Status Report	<p>This report captures general information for the application.</p> <p><b>Note:</b> One or more statuses must be selected.</p>
Complete Data Report	This report captures detail information for applications.
Approved Obligation Report	This report captures the obligation information for approved applications.
Failed or Rejected Obligation Report	This report captures failed or rejected obligations for approved applications.
Application Selection	Clicking this button navigates to the Application Selection Screen.
Create Report	<p>Clicking this button generates the selected report for the selected State/county and filter dates, if applicable.</p> <p><b>Note:</b> CSV-formatted reports must be saved before viewing.</p>

## Notice ELRP-4

### 9 General Payment Provisions for ELRP Payments

#### A Overview

ELRP payments are based on either the gross or adjusted gross LFP payment. ELRP payments will be automatically processed that evening when the 2021 LFP application is approved.

The ELRP payment process is an automated process that determines:

- whether the producer is eligible to receive payment
- the payment amount that can be sent to NPS for disbursement
- the overpayment amount that will be updated to the Pending Overpayment Report.

#### B Frequency of Payment Processing

ELRP payments:

- are processed nightly
- will be reprocessed if changes are made in the system
- will be available to certify and sign in NPS after nightly processing.

#### C Obtaining FSA-325 for Deceased, Disappeared, or Incompetent Producers

FSA-325 will be completed, according to 1-CM, by individuals or entities requesting payment earned by a producer who has died, disappeared, or been declared incompetent. Payment will be issued to the individuals or entities requesting payment using the deceased, disappeared, or incompetent producer's ID number.

#### D Administrative Offset

ELRP payments are subject to administrative offset.

#### E Assignments

A producer entitled to an ELRP payment may assign the payment according to 63-FI.

#### F Bankruptcy

Bankruptcy status does **not** exclude a producer from requesting ELRP benefits.

**Important:** Contact the OGC Regional Attorney for guidance on issuing ELRP payments on all bankruptcy cases.

## Notice ELRP-4

### 9 General Payment Provisions for ELRP Payments (Continued)

#### G Payments Less Than \$1

ELRP payments will be in dollars and cents.

#### H Payment Due Date

See 61-FI for general guidance for determining payment due dates for ELRP. The ELRP payment system sends the current system date plus 30 calendar days to NPS as the payment due date. The system **cannot** determine the payment due date because of numerous factors. County Offices will manually determine the payment due date as the later of the following:

- date producer filed payment eligibility documentation, including AD-1026
- if the producer is an entity or joint operation, date members filed the requisite payment eligibility documentation
- availability of software to process the payment.

If the payment is **not** issued within 30 calendar days after the later of the dates in this subparagraph, then prompt payment interest is payable to the producer. County Offices will:

- manually determine the payment due date based on the factors identified in this subparagraph
- follow the provisions of 61-FI for issuing the interest payment.

#### I Sequestering ELRP Payments

ELRP payments are not subject to sequestration.

## Notice ELRP-4

### 10 Submitting Software Programs

#### A Submitting Software Application and Payment Problems

If there is an issue with an ELRP application or payment, State Office specialists should update the applicable information to the ELRP Program Delivery Division SharePoint located at [https://usdagcc.sharepoint.com/sites/fsa-dafp-disaster/Payment\\_Issues/SitePages/Home.aspx](https://usdagcc.sharepoint.com/sites/fsa-dafp-disaster/Payment_Issues/SitePages/Home.aspx).

#### B Providing State Office Access to Payment Problem SharePoint Site

Access to the ELRP payment problem SharePoint site will be provided to State Office specialists with access to the LFP SharePoint problem site.

If access is needed, **State Office specialists** should request access through the SharePoint site.

County Offices should contact the State Office specialist for assistance with application or payment problems.

### 11 Subsidiary System

#### A Introduction

The payment process reads the web-based eligibility system for the ELRP year to determine whether a producer or member of a joint operation is eligible to be paid. If the producer or member is ineligible to be paid, the payment will not be issued or will be reduced, and the producer or member will be listed on the Nonpayment Report with the applicable message.

#### B ELRP Subsidiary Eligibility

The following table identifies:

- web-based eligibility determinations applicable to payments
- how the system will use the web-based subsidiary eligibility data for payment processing.

If a producer has multiple invalid subsidiary eligibility conditions, only the highest priority ineligible condition will be printed on the Nonpayment Report.



## Notice ELRP-4

### 11 Subsidiary System (Continued)

#### B ELRP Subsidiary Eligibility (Continued)

Eligibility Determination/ Certification	Value	Eligible for ELRP Payment	Exceptions
AD-1026	Certified	Yes	
	Not Filed	No	
	Good Faith Determination	Yes	
	COC Exemption	Yes	
	Awaiting Affiliate Certification	No	
	Affiliate Violation	No	
Conservation Compliance – Farm/Tract Eligibility	In Compliance	Yes	1/ A partial compliance value of “Yes” will result in an additional determination for the farm.
Conservation Compliance – Farm/Tract Eligibility	Partial Compliance	Yes 1/	
	In Violation	No	
	No Association	No	
	Past Violation	No	
	Reinstated	Yes	
Controlled Substance	No Violation	Yes	
	Growing	No	
	Trafficking	No	
	Possession	No	

#### C Eligibility Value Priority

If a producer has multiple invalid subsidiary eligibility values, only the highest priority ineligible value will be listed on the Nonpayment Report or Pending Overpayment Report. The following table provides the priority for the eligibility values.

Priority	Eligibility Provision
1	Conservation Compliance
2	Controlled Substance
3	AD-1026

## Notice ELRP-4

### 12 ELRP Phase 2 Payments

#### A Supporting Files for Integrated Payment Processing

The ELRP payment process is a web-based integrated process that uses a wide range of information and other program determinations and values to determine whether a payment should be issued, amount of gross payment, reductions, and net payment amount. For payments to be calculated correctly, all supporting files must be updated correctly, including **all** listed in the following table.

Type of Information	How Information Is Used for Payment Processing	Source
2021 ELRP Gross Payment	ELRP payments are based on either the gross or adjusted gross LFP payment.	Application System
Payment Eligibility Information	Used to determine whether the producer and/or member of a joint operation is eligible for payment for the program year.	Web-Based Eligibility System
General Name and Address Information	Used to determine the producer's business type and general name and address information.	Business Partner/SCIMS
Entity and Joint Operation Information	Used to determine the following for the ELRP year: <ul style="list-style-type: none"><li>• member contribution value</li><li>• substantive change value</li><li>• members and member's share of entities, general partnerships, and joint ventures.</li></ul>	Business File
Combined Producer Information	Used to determine whether ELRP producers or members of entities or joint operations are combined with other producers. This information is used to ensure that the payment limitation is controlled properly.	Combined Producer System
Available Payment Limitation	Used to determine payment limitation availability.	Payment Limitation System
Financial Related Information	Payment information is provided to NPS.	NPS

**Note:** The 2021 LFP application must be approved for ELRP payments to process.

## Notice ELRP-4

### 12 ELRP Phase 2 Payments (Continued)

#### B Prerequisites for Payments

Certain actions must be completed to ensure that the producer is eligible for payment. The following table provides actions that must be completed to issue payments properly. COC, CED, or designee will ensure that the actions are completed.

Step	Action
1	2021 <b>LFP</b> application must be approved. The ELRP payment will populate in NPS nightly.
2	Ensure that AD-1026 is on file for the applicable year for producers seeking benefits, and the eligibility information is recorded in the web-based eligibility system.
3	Ensure that FSA-510 is on file for the applicable year for producers seeking an increased payment limitation.
4	Ensure that all other eligibility determinations have been updated according to the determinations made by COC for producers and members of joint operations. See 5-PL.
5	Ensure that joint operation and entity ownership structure information is updated in Business File for the applicable year. See 3-PL (Rev. 2).
6	Ensure that substantive change values are updated according to 5-PL.
7	Ensure that all assignments and joint payees have been updated in NPS if CCC-36, CCC-37, or both were filed for ELRP.

### 13 General Provisions for Canceling Payments and Overpayments

#### A Canceling Payments

After payment processing has been completed, County Offices will review the Payment History Report in ECPR or the NPS payment worklist to ensure that the correct payments have been generated. The user should do the following if an error is determined:

- **not** sign the payment in NPS
- correct the condition causing the incorrect payment or overpayment.

**Notes:** User intervention is **not** allowed for the cancellation process. If the condition causing the incorrect payment is corrected, the system will automatically cancel the unsigned payment and recalculate the payment amount due.

If the payment amount is determined to be incorrect and the payment has been signed in the NPS system, the payment can no longer be canceled. The producer will be underpaid or overpaid once the condition causing the incorrect payment has been corrected.

## 13 General Provisions for Canceling Payments and Overpayments (Continued)

### B Overpayments

The ELRP payment process is an integrated process that reads data from many systems to determine whether payments issued to a producer were earned in-full or in-part. These systems include the following:

- LFP Application and Payment System
- Subsidiary System including data about eligibility, combined producer, and Business File
- Payment Limitation System
- SCIMS.

If something changes in any of the supporting systems, the ELRP payment process is automatically triggered to recalculate the payment. The producer is overpaid if the information that has been changed results in the current calculated amount to be less than the amount originally paid to the producer.

### C Determined Overpayments

The **system** will update the applicable overpayment information to the Pending Overpayment Report. See 9-CM, paragraph 65 for information on the Pending Overpayment Report.

### D Handling Debts Less Than \$100

County Offices will follow 58-FI for handling receivables less than \$100.

### E Charging Interest

Interest will be charged on receivables from the date the original payment was disbursed if COC determines the producer is ineligible because of the following reasons:

- producer is subsequently determined ineligible
- producer erroneously or fraudulently represented any act affecting a payment eligibility determination, including the following:
  - violation of conservation compliance provisions
  - violation of controlled substance provisions.

## Notice ELRP-4

### 13 General Provisions for Canceling Payments and Overpayments (Continued)

#### E Charging Interest (Continued)

Interest will **not** be charged from the date of disbursement if:

- overpayment resulted based on revised information that the producer would **not** have had reason to know was invalid
- National, State, or County Office erred
- producer voluntarily refunds the payment that was issued and COC has **not** determined that the producer is ineligible.

**Notes:** Software does **not** support charging interest from the date of disbursement.

Overpayment information is sent to NRRS with the current system date. If the receivable is **not** repaid within 30 calendar days from the date the initial notification letter is issued, interest will start accruing from the date the receivable was established.

If COC determines that the producer is ineligible for program participation, interest should be charged from the date of disbursement.

### 14 ELRP Payment Reports

#### A Displaying or Printing ELRP Payment Reports

ELRP payment reports are available to provide information about each payment or nonpayment. Most of the payment reports have information that is common between program areas, so information about these reports is in 9-CM. ECPR and the Payment History Report – Detail include program-specific data and will be covered.

ELRP payment report information is available according to the following table.

## Notice ELRP-4

### 14 ELRP Payment Reports (Continued)

#### A Displaying or Printing ELRP Payment Reports (Continued)

Report Name	Type of Data	Reference
Estimated Calculated Payment Report	Live	9-CM, paragraph 62 and subparagraph 13C
Submitted Payments Report	Live	9-CM, paragraph 63
Submitted Overpayments Report	Live	9-CM, paragraph 64
Pending Overpayment Report	Live	9-CM, paragraph 65
<b>Note:</b> The Pending Overpayment Report is accessed through the Pending Overpayment Summary Report according to 9-CM, paragraph 64.5.		
Nonpayment/Reduction Report	Live	9-CM, paragraph 66
Insufficient Funds Report	Live	9-CM, paragraph 67
Payments Computed to Zero Report	Live	9-CM, paragraph 68
Payment History Report – Summary	Report Database	9-CM, paragraph 69
Payment History Report – Detail	Report Database	9-CM, paragraph 70 and subparagraph 13D

**Note:** See 9-CM, paragraph 52 for complete instructions on accessing the Common Payment Report System.

#### B ECPR

ECPR is a report that provides the payment calculation for ELRP. The following information will be displayed or printed on ECPR.

Field	Description
Program Year	2021.
Program Name	2021 Emergency Livestock Relief Program.
State	Full name of the State selected by the user.
County	Full name of the county selected by the user.
Date (Report)	Date the report is generated by the user.
Location State	Location of livestock (LFP application).
Location County	Location of livestock (LFP application).
Producer Name	Name from SCIMS as follows: <ul style="list-style-type: none"> <li>• for individuals, last name, middle name, first name, and suffix</li> <li>• for businesses, business name.</li> </ul>
ELRP Application Number	Application number (generated through the application software).
Application Status	Status of application.

**Notice ELRP-4**

**14 ELRP Payment Reports (Continued)**

**B ECPR (Continued)**

<b>Field</b>	<b>Description</b>
<b>ELRP Phase 1</b>	
2021 LFP Gross Payment Amount	Gross payment amount from the 2021 LFP application.
2021 Adjusted LFP Gross Payment Amount	Adjusted LFP gross payment from the ELRP application.
Payment Factor (Percentage)	Assigned payment factor.  <b>Note:</b> A higher payment percentage will be provided for producers who meet underserved producer provisions.
Gross Payment	2021 LFP gross payment or 2021 adjusted LFP gross payment times the payment factor (percentage).
Program Factor	Assigned program factor.
Factored Gross Payment	Gross payment multiplied by program factor.
<b>ELRP Phase 2</b>	
2021 Phase 1 Gross Payment	2021 phase 1 gross payment calculated above.
Payment Factor	Assigned payment factor.
Phase 2 Gross Payment	2021 ELRP phase 1 gross payment times the payment factor (percentage).
Program Factor	Assigned program factor.
Factored Gross Payment	Phase 2 gross payment multiplied by program factor.
Total Factored Gross Payment	Phase 1 gross payment plus phase 2 gross payment.
Total Factored Gross Payment	Phase 1 factored gross payment plus phase 2 factored gross payment.

**Note:** The total gross ELRP payment amount is determined before applying any payment reductions. Review the nonpayment report to determine reductions.

## Notice ELRP-4

### 14 ELRP Payment Reports (Continued)

#### C Example ECPR

The following is an example of ECPR.

State: Iowa County: Adair	United States Department of Agriculture Farm Service Agency 2021 Emergency Livestock Relief Program Estimated Calculated Payment Report	Date: 08/24/2023
Location State: <input type="text"/> Location County: <input type="text"/>	Producer Name: <input type="text"/>	Application Number: <input type="text"/> Application Status: APPROVED
<b>ELRP Phase 1</b>		
2021 LFP Gross Payment Amount	2021 Adjusted LFP Gross Payment Amount	Payment Factor
\$37,552.00	N/A	0.9000
Phase 1 Gross Payment	Program Factor	Factored Gross Payment
\$33,796.80	1.0000	\$33,796.80
<b>ELRP Phase 2</b>		
2021 Phase 1 Gross Payment	Payment Factor	Phase 2 Gross Payment
\$33,796.80	0.2000	\$6,759.36
Program Factor	Factored Gross Payment	
1.0000	\$6,759.36	
Total Gross Payment: \$40,556.16		
Total Factored Gross Payment: \$40,556.16		
<b>Important Information:</b>		
If all required forms are not filed by the required deadline, producers may forfeit their request to receive payment.		
<b>Calculation Explanation:</b>		



## Notice ELRP-4

### 14 ELRP Payment Reports (Continued)

#### D Payment History Report - Detail

The Payment History Report – Detail is a report that provides detailed information about an ELRP payment. The following information will be displayed or printed on the Payment History Report – Detail.

Field	Description
Program Year	2021.
Program Name	Emergency Livestock Relief Program.
State	Full name of the State selected by the user.
County	Full name of the county selected by the user.
Producer Name and Address	Name from SCIMS as follows: <ul style="list-style-type: none"><li>• for individuals, last name, middle name, first name, and suffix</li><li>• for businesses, business name.</li></ul>
Date (Report)	Date the report is generated by the user.
Date (Payment)	Date the payment was processed and sent to NPS, or the date the overpayment transaction was processed and sent to NRRS.
State/County	State and county codes associated with the applicable transaction record.
Payment Entity/Member Name	The “Payment Entity/Member Name” field will provide payment entity or member name information if the ELRP Payment History Report – Detail is generated for: <ul style="list-style-type: none"><li>• an entity or joint operation where amounts were attributed to members</li><li>• a member to show the payment entity through whom the amount was attributed.</li></ul>
Payment ID Number	Unique number that ties the program history data to the NPS history data.
Business Type	Business type of the producer and/or member.
Contract/Application/Farm	Identifier from the program application.
Obligation ID	Assigned ID for payment.
Commodity/Payment Type	Defined by application.

**14 ELRP Payment Reports (Continued)**

**D Payment History Report – Detail (Continued)**

<b>Field</b>	<b>Description</b>
Type of Transaction	One of the following transaction types will be displayed: <ul style="list-style-type: none"> <li>• “Payment”</li> <li>• “Receivable”</li> <li>• “Canceled Payment”</li> <li>• “Canceled Receivable”.</li> </ul>
Reduction Amount	Reduction amount because of a subsidiary eligibility value.
Payment Limitation Reduction Amount	Reduction amount because of payment limitation.
Net Payment	Net payment amount for the producer after all reductions have been applied.

**E Payment History Report – Detail Options**

The following options are available on the Payment History Report – Detail.

<b>Option</b>	<b>Action</b>
Previous	The previous Payment History Report – Detail will be displayed.  <b>Note:</b> If a single producer was selected for processing, this button will <b>not</b> be available.
Print	The Payment History Report – Detail will be sent to the applicable printer.
Next	The Payment History Report – Detail for the next producer will be displayed.  <b>Note:</b> If a single producer was selected for processing, this button will <b>not</b> be available.