

For: State and County Offices

**Technical Correction to Regulations Implementing
Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP)**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

The Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246) authorized up to \$50 million in ELAP benefits in a calendar year to provide emergency relief to producers of livestock, honeybees, and farm-raised fish, that are not covered by LIP, LFP, and the Supplemental Revenue Assistance Program (SURE).

On April 14, 2010, the technical correction to 7 CFR Part 760, Subpart C, was published in the FR. The technical correction to the rule makes several clarifying amendments to the regulations for ELAP. Specifically, the changes include the following:

- that producers are eligible for payments based on 60 percent of the average fair market value, as determined by FSA, of:
 - lost farm-raised bait or game fish
 - honeybees in excess of normal honeybee mortality, as established by FSA
- acceptable documentation for the loss of honeybee colonies because of colony collapse disorder (CCD).

Disposal Date	Distribution
January 1, 2011	State Offices; State Offices relay to County Offices
4-14-10	Page 1

Notice LDAP-23

1 Overview (Continued)

B Purpose

This notice:

- announces that the technical correction to 7 CFR Part 760, Subpart C, was published in the FR on April 14, 2010
- clarifies that late-filed ELAP applications for 2008 and 2009 calendar year losses shall be accepted through May 5, 2010
- provides payment calculations for honeybee colony and hive losses and farm-raised fish losses
- defines the type of documentation that will be considered acceptable for the loss of honeybee colonies because of CCD.

2 2008 and 2009 ELAP Applications

A Late-Filed Applications

The ELAP signup deadline ended December 10, 2009, for 2008 losses and February 1, 2010, for 2009 losses. However, Notice LDAP-20 provided that, because of changes in program provisions, late-filed ELAP applications for 2008 and 2009 calendar year losses shall be accepted no later than 14 calendar days after the date that the technical correction to 7 CFR Part 760, Subpart C, is published in the FR.

It has been determined that 14 calendar days is not sufficient time to allow producers to late-file ELAP applications. Therefore, late-filed FSA-918's and FSA-930's for 2008 and 2009 livestock, honeybees, and farm farm-raised fish losses shall be accepted through **May 5, 2010**, 21 calendar days after the date the technical correction was published in the FR.

B County Office Action

COC or CED must begin acting on all completed and signed FSA-918's and FSA-930's submitted for 2008 and 2009 livestock, honeybees, and farm-raised fish losses according to 1-LDAP, subparagraph 297 A.

Notice LDAP-23

3 Honeybees

A Fair Market Values

The technical correction clarifies that producers who decide not to replace honeybees are eligible for payment based on the fair market value of lost honeybees. Therefore, producers are **not** required to provide documentation as to actual replacement cost of lost honeybees.

B Payment Rates

The payment rates, established by FSA, for 2008 and 2009 honeybee colonies and hives are based on the average fair market values of honeybee colonies and/or hives in calendar year 2008 and 2009. FSA has established the following average fair market values for 2008 and 2009 honeybee losses:

- \$60 per honeybee colony
- \$200 per honeybee hive.

C Normal Mortality Rate for Honeybee Colony Losses

ELAP compensates eligible honeybee producers for eligible honeybee colony losses that occur in excess of normal mortality because of an eligible adverse weather or loss condition during the calendar year. FSA has established a normal mortality rate for honeybee colony losses of 17.5 percent.

D Payment Calculation for Honeybee Colony Losses

Payments for eligible honeybee producers for honeybee colony losses will be based on 60 percent of the result of multiplying:

- the result of subtracting:
 - number of honeybee colonies lost because of an eligible adverse weather or loss condition, minus
 - loss threshold (beginning inventory times 17.5 percent normal mortality rate)
- times \$60, average fair market value per honeybee colony.

Notice LDAP-23

3 Honeybees (Continued)

D Payment Calculation for Honeybee Colony Losses (Continued)

Example: Producer A files FSA-930 for honeybees lost to CCD. Beginning inventory was 100 colonies of bees. Producer A's ending inventory was 50 colonies which equates to 50 colonies lost. Compensation would be calculated at 60 percent of the average fair market value established for honeybee colonies, \$60, for the number of colonies lost in excess of normal mortality as follows.

- Beginning inventory is 100 colonies.
- Normal mortality is 17.5 percent.
- 50 colonies were lost.
- $100 \text{ colonies} \times 17.5 \text{ percent} = 17.5$ (loss threshold).
- $50 \text{ colonies lost} - 17.5 \text{ (loss threshold)} = 32.5$ colonies eligible for payment.
- $32.5 \text{ colonies} \times \$60 \text{ (average fair market value)} \times 60 \text{ percent} = \$1,170$ (calculated payment amount for lost honeybee colonies before **national factor**).

E Payment Calculation for Honeybee Hive Losses

Payments for eligible honeybee producers for honeybee hive losses will be based on 60 percent of the result of multiplying:

- number of honeybee hives lost because of an eligible adverse weather or loss condition, times
- \$200, average fair market value per honeybee hive.

Example: Producer B files FSA-930 for honeybee hives lost because of a tornado. Beginning inventory was 20 hives. Producer's B ending inventory was 15 hives which equates to 5 hives lost. Compensation would be calculated at 60 percent of the average fair market value established for honeybee hives, \$200, for the number of hives lost as follows.

$5 \text{ hives} \times \$200 \text{ (average fair market value)} \times 60 \text{ percent} = \600 (calculated payment amount for lost honeybee hives before **national factor**).

Notice LDAP-23

3 Honeybees (Continued)

F Required Documentation for CCD

Notice LDAP-17, paragraph 2 provides the possible types of documentation that will be considered as acceptable proof of honeybee colony losses because of CCD. The technical correction finalizes the types of documentation listed in Notice LDAP-17, paragraph 2 as acceptable documentation for honeybee colony losses because of CCD.

4 Farm-Raised Fish

A Fair Market Value

The technical correction clarifies that producers who decide not to replace farm-raised fish are eligible for payment based on the fair market value of lost fish. Therefore, producers are not required to provide documentation as to actual replacement cost of lost fish.

B Payment Rate

The payment rates for eligible farm-raised fish are based on the average fair market value of the type of bait or game fish that are lost because of an eligible adverse weather or loss condition, as established by STC.

As provided in Notice LDAP-20, State Offices shall begin establishing average fair market values for the different types of bait and/or game fish farmed in the State.

C Payment Calculation for Farm-Raised Fish Losses

Payments for eligible farm-raised fish producers for fish losses will be based on 60 percent of the result of multiplying:

- number of farm-raised fish lost because of an eligible adverse weather or loss condition, times
- average fair market value for the type of bait and/or game fish lost, as established by STC.

Notice LDAP-23

4 Farm-Raised Fish (Continued)

C Payment Calculation for Farm-Raised Fish Losses (Continued)

Example: Producer C files FSA-930 for large-mouth bass death losses because of a hurricane. STC has established an average fair market value for large-mouth bass of \$100. Beginning inventory was 1000 large-mouth bass. Producer C's ending inventory was 800 large-mouth bass which equates to 200 large-mouth bass lost. Compensation would be calculated at 60 percent of the average fair market value established by STC for large-mouth bass, \$100, for the number of large-mouth bass lost as follows.

200 large-mouth bass lost x \$100 (STC average fair market value for large-mouth bass) x 60 percent = \$12,000 (calculated payment amount for lost large-mouth bass before **national factor**).

5 Action

A State Office Action

State Offices shall ensure that County Offices:

- are immediately informed of the contents of this notice
- immediately publicize the contents of this notice by all available means.

B County Office Action

County Offices shall immediately publicize the contents of this notice by all available means.