UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency Washington, DC 20250

For: State and County Offices

Completing CCC-853 for Producers With Livestock Grazing Multiple Pasture Types

Approved by: Deputy Administrator, Farm Programs

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1 **Overview**

A Background

Guidance in 1-LDAP (Rev. 1), subparagraph 421 D provides that the LFP monthly payment rate for losses because of qualifying drought are to be calculated at 60 percent of the smaller of:

- the monthly feed cost for all covered livestock calculated by multiplying the monthly • feed cost payment rate for each specific kind, type and weight range of livestock from the table in 1-LDAP (Rev. 1), subparagraph 421 C, times the number of head of eligible covered livestock for each specific kind/type and weight range of livestock and totaling the result
- the monthly feed cost based on the normal carrying capacity of the eligible grazing land • calculated by dividing the number of eligible grazing land or pastureland acres of the specific type of grazing land by the normal carrying capacity of the specific forage type of the eligible grazing land or pastureland, times 30 calendar days, times the daily feed cost.

An eligible livestock producer can only receive a maximum of 5 monthly payments for covered livestock during the calendar year regardless of how many different drought intensity ratings the county receives; that is, the maximum payment a producer can receive under LFP in a calendar year cannot exceed 5 times the covered livestock's feed cost times 60 percent.

LFP software does not have the capability to determine when livestock are grazing multiple pasture types. As a result, it is possible that livestock that are grazing multiple pasture types could receive more than the maximum of 5 monthly payments resulting in a producer being overpaid. A manual process has been developed to assist County Offices in providing guidance to livestock producers in distributing eligible livestock on CCC-853 between the multiple grazing land/pasture types when some of the same eligible covered livestock are grazing multiple grazing lands/pastureland types (specifically native and improved grazing lands and pasturelands). The participant shall make distribution of the eligible livestock at the time CCC-853 is filed.

| Disposal Date | Distribution |
|---------------|--|
| March 1, 2015 | State Offices; State Offices relay to County Offices |
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1 Overview (Continued)

B Purpose

This notice informs State and County Offices:

- that LFP software does not have the capability to determine when livestock are grazing multiple pasture types. As a result, it is possible that livestock that are grazing multiple pasture types could receive more than the maximum of 5 monthly payments resulting in a producer being overpaid
- about instructions for providing guidance to eligible livestock producers for distributing livestock between the multiple grazing land/pasture land types that are being grazed (native and improved grazing lands/pasture lands) by eligible covered livestock on CCC-853 at the time the participant files CCC-853.

2 Procedure for Handling Livestock Grazing Multiple Pasture Types

A Limiting LFP Payments for Covered Livestock Grazing Multiple Pasture Types

LFP software does not have the capability to determine when livestock are grazing multiple pasture types. As a result, it is possible that livestock that are grazing multiple pasture types could receive more than the maximum of 5 monthly payments resulting in a producer being overpaid.

According to instructions in this notice, County Offices shall provide guidance to livestock producers to distribute eligible livestock on CCC-853:

- at the time the participant files CCC-853
- between the multiple grazing land/pastureland types (native grazing and improved grazing lands/pasture lands) according to subparagraph B
- to ensure that an eligible livestock producer's payments for specific eligible livestock that are grazing both native and improved grazing land/pastureland are not overpaid and do not receive more than 5 monthly payments.

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2 **Procedure for Handling Livestock Grazing Multiple Pasture Types (Continued)**

B Distributing Eligible Livestock on CCC-853 When Covered Livestock Are Grazing Multiple Pasture Types

The following table provides instructions to County Offices for distributing eligible livestock between the multiple grazing and pastureland types being grazed (native and improved) by eligible covered livestock on CCC-853 at the time the participant files CCC-853.

| Step | | Action | |
|------|--|--|--|
| 1 | When the eligible livestock producer indicates in CCC-853, Part D, item 21 that the covered livestock are grazing both native and improved pasture types listed in item 22, County Offices shall encourage eligible livestock producers to distribute eligible livestock between the native and improved pastures types so that the maximum animal units that the specific pasture type can sustain is not exceeded. | | |
| | County Offices shall determine the maximum animal units for the native and improved pasture types for owned or cash leased land as follows: | | |
| | • native acres being grazed in item 23 divided by carrying capacity in item 24 = maximum animal units the native pasture acreage being grazed can sustain | | |
| | • improved acres being grazed in item 23 divided by carrying capacity in item 24 = maximum animal units the improved pasture acreage being grazed can sustain. | | |
| | Example: | Alfred Register's 300 head of adult beef cows are grazing 2,739.8 acres of native pasture with a carrying capacity of 10.0 acres/au. and 863.2 acres of improved pasture with a carrying capacity of 5.0 acres/au. (no fence exists between the 2 pasture types). To determine the maximum animal units that each pasture type can sustain, the County Office performs the following calculations for Mr. Register: | |
| | | 2,739.8 acres native pasture \div 10.0 ac./au. = 273.98 = 273 maximum animal units native pasture can sustain | |
| | | 863.2 acres improved pasture \div 5.0 ac./au. = 172.64 = 172 maximum animal units improved pasture can sustain. | |

- 2 Procedure for Handling Livestock Grazing Multiple Pasture Types (Continued)
 - **B** Distributing Eligible Livestock on CCC-853 When Covered Livestock Are Grazing Multiple Pasture Types (Continued)

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|------|--|
| Step | Action |
| 2 | After the County Office calculates the maximum animal units that each specific pasture type can sustain, then the livestock producer will select the number of head of animals to distribute between each specific pasture type ensuring that the number distributed does not exceed the number that each pasture type can sustain. |
| | Example: In step 1, it was determined that Alfred Register's 2,739.8 acres of native pasture with a carrying capacity of 10.0 acres/au. could sustain 273 maximum animal units and his 863.2 acres of improved pasture with a carrying capacity of 5.0 acres/au. could sustain 172 maximum animal units. Mr. Register has decided to distribute 170 adult beef cows to the native pasture acreage of 2,739.8 acres and the remaining 130 adult beef cows to the 863.2 acres of improved pasture grazing land. |
| | Note: The County Office can use CCC-853-1 to assist the producer in determining the most beneficial payment as long as the producer does not distribute more than the maximum number of animal units between each of the specific pasture types. For example, Mr. Register in the example above could not distribute more than 272 adult beef cattle to the native pasture and 28 adult beef cattle to the improved pasture or more than 172 adult beef cattle to the improved pasture and 128 adult beef cattle to the native pasture. |
| 3 | After the producer has selected the number of head of livestock to distribute between each specific pasture type, the livestock producer will complete CCC-853, item 12 by entering sequential livestock corresponding numbers to be associated to each livestock kind, type, and weight range to be entered in item 13 that will also be assigned by the automated system to match the specific grazing land pasture type in item 22 that the livestock will be distributed to by the livestock producer. |
| | Example:Item 12Item 13Item 14Item 21Item 21Item 22Item 231Adult Beef Cows1701Native Pasture2,739.82Adult Beef Cows1302Improved863.2 |
| 4 | Livestock producer completes remaining sections of CCC-853 according to 1-LDAP |
| | (Rev. 1), paragraph 442. |

3 Action

A County Office Action

CED's shall ensure that County Offices follow instructions for distributing livestock between the multiple grazing land/pasture land types that are being grazed (native and improved grazing lands/pasture lands) by eligible covered livestock on CCC-853 at the time the participant files CCC-853.

B State Office Action

State Offices shall ensure that County Offices are immediately notified of the contents of this notice.