

For: State and County Offices

2022 LIP Signup

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

2022 LIP signup began on January 1, 2022. LIP provides separate payment rates for eligible livestock owners and eligible contract growers. Payment rates for eligible livestock contract growers are included in this notice.

This notice provides updated 2022 payment rates for non-adult beef, beefalo, buffalo/bison, and dairy less than 400 pounds and less than 250 pounds.

B Purpose

This notice informs State and County Offices that:

- payment rates for livestock owners are based on 75 percent of the average fair market value, as determined by CCC, for the specific livestock category

**Note:** The table in subparagraph 2 A provides LIP per head payment rates, by livestock category, for eligible livestock owners.

- payment rates for the following livestock have been updated to use the same price for the under 250 pounds with the 251- to 399-pound livestock:
  - beef
  - beefalo
  - buffalo/bison
  - dairy
- payments for those LIP applications that were already paid in 2022 will reflect the update in payment amount based on the change of those categories.

Disposal Date	Distribution
July 1, 2023	State Offices; State Offices relay to County Offices

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### 2 2022 LIP

#### A Payment Rates

2022 LIP payment rates are established based on data and analysis completed by the Economic and Policy Analysis Division as required in 7 CFR 1416.306(b). These rates have been loaded into the LIP software so payment calculations can be made for indemnity payments for producers participating in LIP.

<b>Table 1: LIP Payment Rates for Eligible Livestock Owners</b>			
<b>(Rates Have Been Reduced by the Required 75%)</b>			
<b>Kind</b>	<b>Type</b>	<b>Weight Range</b>	<b>2022 Payment Rate Per Head</b>
Alpacas			\$303.99
Beef	Adult	Bull	\$1,077.94
		Cow	\$829.18
	Non-adult	Less than 250 pounds	\$474.38 *
		250 to 399 pounds	\$474.38
		400 to 799 pounds	\$661.32
800 pounds or more	\$1,102.20		
Buffalo/Bison	Adult	Bull	\$1,793.84
		Cow	\$1,486.86
	Non-adult	Less than 250 pounds	\$599.15 *
		250 to 399 pounds	\$599.15 *
		400 to 799 pounds	\$1,221.91
800 pounds or more	\$1,640.35		
Beefalo	Adult	Bull	\$1,346.40
		Cow	\$1,075.81
	Non-adult	Less than 250 pounds	\$559.20 *
		250 to 399 pounds	\$559.20
		400 to 799 pounds	\$871.54
800 pounds or more	\$1,304.01		
Caribou			\$410.50
Chickens	Broilers, Pullets (regular size)	4.26 to 6.25 pounds	\$2.93
	Chicks		\$0.27
	Layers		\$4.29
	Pullets, Cornish Hens (small size)	Less than 4.26 pounds	\$1.97
	Roasters	6.26 to 7.75 pounds	\$3.73
	Super Roasters/Parts	7.76 pounds or more	\$4.90
Dairy	Adult	Bull	\$1,107.99
		Cow	\$1,021.88
	Non-adult	Less than 250 pounds	\$255.47 *
		250 to 399 pounds	\$255.47
		400 to 799 pounds	\$510.94
800 pounds or more	\$825.36		

\* updated payment rates

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2 2022 LIP (Continued)

A Payment Rates (Continued)

<b>Table 1: LIP Payment Rates for Eligible Livestock Owners (Continued)</b>			
<b>(Rates Have Been Reduced by the Required 75%)</b>			
<b>Kind</b>	<b>Type</b>	<b>Weight Range</b>	<b>2022 Payment Rate Per Head</b>
Deer			\$410.50
Ducks	Ducklings		\$0.67
	Ducks		\$4.20
Elk			\$569.81
Emus			\$163.74
Equine			\$695.91
Geese	Goose		\$31.67
	Gosling		\$6.65
Goats	Bucks		\$214.31
	Nannies		\$198.33
	Slaughter Goats/Kids		\$114.70
Llamas			\$245.72
Reindeer			\$410.50
Sheep	Ewes		\$215.51
	Lambs		\$227.77
	Rams		\$549.01
Swine	Suckling Nursery Pigs	Less than 50 pounds	\$56.42
	Lightweight Barrows, Gilts	50 to 150 pounds	\$96.23
	Sows, Boars, Barrows, Gilts	151 to 450 pounds	\$107.99
	Boars, Sows	450 pounds or more	\$264.08
Turkeys	Poults		\$2.85
	Toms, Fryers, Roasters		\$21.72
<b>Table 2: LIP Payment Rates for Eligible Livestock</b>			
<b>Contract Growers (Rates Have Been Reduced by the Required 75%)</b>			
<b>Kind</b>	<b>Type</b>	<b>Weight Range</b>	<b>2022 Payment Rate Per Head</b>
Chickens	Broilers, Pullets (regular size)	4.26 to 6.25 pounds	\$0.32
	Chicks		\$0.22
	Layers		\$0.26
	Pullets, Cornish Hens (small size)	Less than 4.26 pounds	\$0.22
	Roasters	6.26 to 7.75 pounds	\$0.41
	Super Roasters/Parts	7.76 pounds or more	\$0.54
Ducks	Ducks		\$0.46
	Ducklings		\$0.46

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### 2 2022 LIP (Continued)

#### A Payment Rates (Continued)

<b>Table 2: LIP Payment Rates for Eligible Livestock (Continued)</b>			
<b>Contract Growers (Rates Have Been Reduced by the Required 75%)</b>			
<b>Kind</b>	<b>Type</b>	<b>Weight Range</b>	<b>2022 Payment Rate Per Head</b>
Geese			\$3.48
Swine	Suckling Nursery Pigs	Less than 50 pounds	\$6.41
	Lightweight Barrows, Gilts	50 to 150 pounds	\$14.45
	Sows, Boars, Barrows, Gilts	151 to 450 pounds	\$16.22
	Boars, Sows	450 pounds or more	\$108.52
Turkeys	Poults		\$0.31
	Toms, Fryers, Roasters		\$2.39

#### B Updated Rates

After further review with the Administrator and the Secretary, it was determined that the prices previously established for the under 250-pound livestock category for beef, beefalo, buffalo/bison, and dairy were not in line with the current prices in 2022.

The 2014 Farm Bill states, “PAYMENT RATES.—Indemnity payments to an eligible producer on a farm under paragraph (1) shall be made at a rate of 75 percent of the market value of the applicable livestock on the day before the date of death of the livestock, as determined by the Secretary.”

The updated rates are reflective of the substantial increased cost of these livestock in 2022. These rates have been modified to account for the changes in not only the under 250-pound category, but also the 250- to 399-pound livestock category for beef, beefalo, buffalo/bison, and dairy.

#### C Payment Recalculations

LIP payments previously paid for the livestock types of beef, beefalo, buffalo/bison, and dairy under 250 pounds and 250 to 399 pounds will be recalculated to pay the updated amount once the updated amounts are loaded into the LIP software. If no update to the application was made, no further action is required.

Payments will be processed the day after the updated amount is loaded.

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### 3 Action

#### A State Office Action

State Offices must:

- ensure that County Offices are aware of the contents of this notice
- assist County Offices with questions about this notice
- contact Seth Cross with any questions about this notice.

#### B County Office Action

County Offices must:

- review the contents of this notice
- process LIP applications based on policy and procedure provided in this notice
- contact DD or State Office, as applicable, with questions about this notice.