

Farm Bill Livestock Disaster Programs

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- 2 Livestock Forage Disaster Program (LFP)
- 3 Livestock Indemnity Program (LIP)
- 4 Emergency Assistance for Livestock, Honey Bees, Farm-Raised Fish Program (ELAP)
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Farm Bill Update

- The Food, Conservation, and Energy Act of 2008 authorized three standing disaster programs for livestock producers
 - 1 Livestock Forage Disaster Program (LFP)
 - 2 Livestock Indemnity Program (LIP)
 - 3 Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP)
- These programs are administered through the the FSA
- Programs exist under the Supplemental Agriculture Disaster Assistance program within Title I (Commodity Programs)
- Programs expired at the end of September 2011 as the 2008 farm bill expired.

Farm Bill Update (cont.)

- The Agricultural Act of 2014 refunded these disaster programs, retroactively starting October 2011.
- Beginning on April 15, 2014, producers will be able to claim livestock losses experienced back to October 2011.
- Claims made at local FSA service center.
- Livestock disaster programs are made permanent under new Farm Bill.
- The total amount of disaster assistance payments received by a person or legal entity (excluding a joint venture or general partnership) may not exceed \$125,000 for any crop year.

Programs at a Glance

- **Livestock Forage Disaster Program (LFP)**
Provides compensation to eligible livestock producers who suffered grazing losses due to qualifying drought or fire on federally managed land.
- **Livestock Indemnity Program (LIP)**
Provides compensation to eligible livestock owners for livestock death loss in excess of normal mortality due to adverse weather or attacks by animals reintroduced into the wild by Federal Government or protected by Federal law, including wolves and avian predators.
- **Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP)**
Provides compensation to eligible producers of livestock, honeybees, and farm-raised fish for losses due to blizzards or fire (on private land). Only covers losses not covered under LFP and LIP.

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Annual Livestock Disaster Assistance Payment Amounts, by Program Type (2008-2011) - in \$ Millions

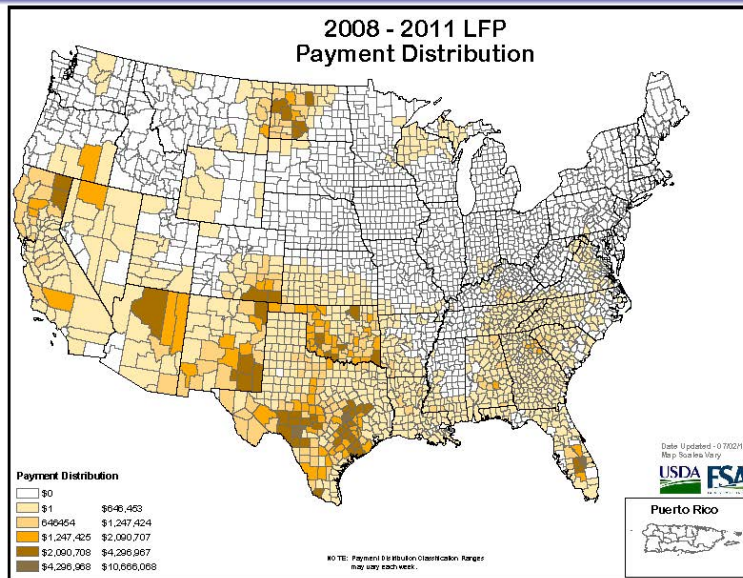
Program	Year				Total
	2008	2009	2010	2011	
LFP	166.2	101.0	34.8	265.4	567.4
LIP	25.8	63.7	17.8	42.4	149.7
ELAP	10.8	11.9	9.4	8.1	40.2
Total	202.8	176.6	62.0	315.9	757.3

Source: Farm Service Agency

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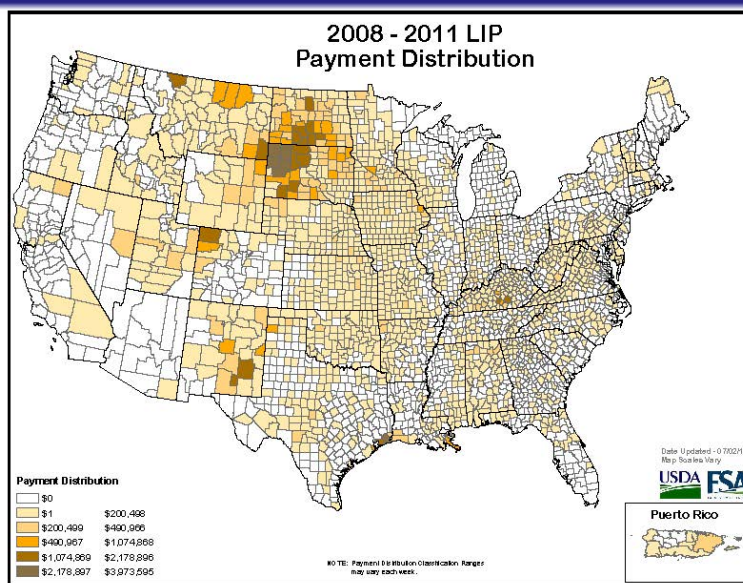
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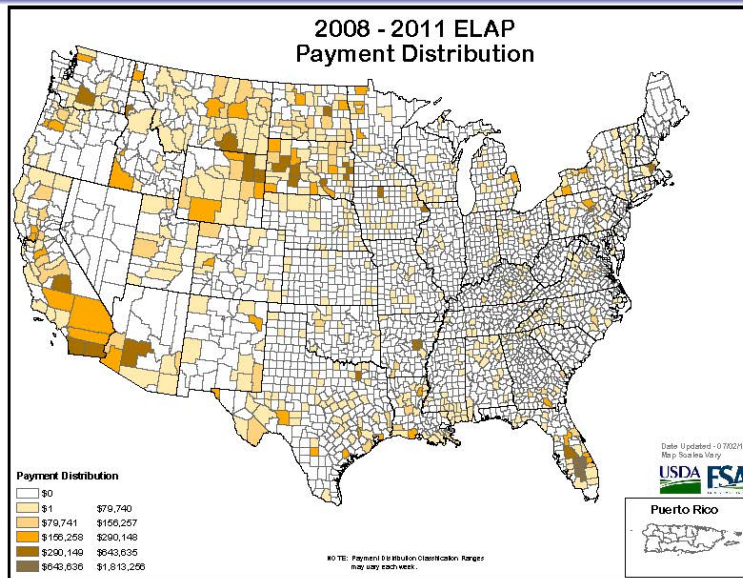
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LFP Operational Details

- LFP provides compensation for grazing losses due to qualifying drought or fire on federally managed land.
- **Program is made permanent.**
- **No risk management purchase requirement.**
- Payment amount is based on drought intensity (as measured by U.S. Drought Monitor).
- **Payment amount up to 5 months.**
- Payment rate is equal to
 - 60% of payment amount for lost feed due to drought.
 - **80% of payment amount for lost feed due to drought for 2 years preceeding current production year.**
 - 50% of payment amount for lost feed due to fire on federally managed land.

Note: Changes from 2008 FB are in red.

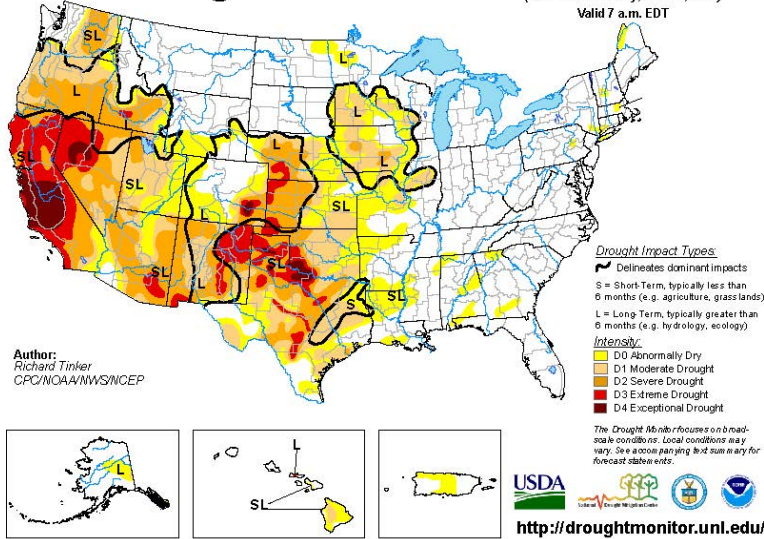
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U.S. Drought Monitor

March 11, 2014
(Released Thursday, Mar. 13, 2014)
Valid 7 a.m. EDT



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Payments and Drought Intensity

- 1 Monthly Payment
 - Within a county rated as D2 (severe drought) for at least 8 consecutive weeks.
- 3 Monthly Payments
 - Within a county rated as D3 (extreme drought) at any time.
- 4 Monthly Payments
 - Within a county rated as D3 (extreme drought) for at least 4 weeks.
 - Within a county rated as D4 (exceptional drought) at any time.
- 5 Monthly Payments
 - Within a county rated as D4 (exceptional drought) for at least 4 weeks.

Note: Must be within typical grazing period (as defined by FSA).

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Payment Rates

- Monthly payment rates are based on the lesser of the two:
 - 1 Estimated monthly feed costs for all covered livestock owned or leased by the eligible livestock producer.
 - 2 Estimated monthly feed costs by using the normal carrying capacity of the eligible grazing land.
- Feed costs assume the following:
 - 30 days of production.
 - In the case of an adult cow, the feed equivalent of 15.7 pounds of corn per day.
 - Corn price is based on national average corn price.
 - Based on higher of 12-month or 24-month average, as of March 1

Payments from Fire

- Payments also made on losses due to fire on federally managed land.
- Equal to 50% of the monthly feed cost for the number of days the producer was prohibited from grazing.
- Payment not to exceed 180 calendar days (6 months).
- Grazing losses must have occurred on or after October 1, 2011.

LIP Operational Details

- LIP provides compensation to eligible livestock producers who have suffered livestock death losses in excess of normal mortality due to:
 - Adverse weather.
 - Attacks by animals reintroduced into the wild by the federal government or protected by federal law, including wolves and avian predators.
- Program is made permanent.
- Payments are equal to 75% of the market value of the applicable livestock on the day before the date of death.

Note: Changes from 2008 FB are in red.

Livestock Death Documentation

- Documentation of the number and kind of livestock that have died, supplemented if possible by such items as:
 - Photographs or video records to document the loss, dated if possible
 - Purchase records, veterinarian records, production records, bank or other loan documents
 - Written contracts, records assembled for tax purposes, private insurance documents, and other similar reliable documents
- Producers should be advised to contact their local FSA office in regards to documentation that was considered acceptable for previous year programs

Eligibility

- An eligible livestock owner must have legally owned the eligible livestock on the day the livestock death loss occurred.
- Eligible contract growers must be in possession of the eligible livestock at the time death occurred.
- Eligible livestock include:
 - Beef cattle
 - Dairy cattle
 - Bison
 - Poultry
 - Sheep
 - Swine
 - Horses
 - Other livestock

ELAP Operational Details

- Provides emergency relief to eligible producers of livestock, honey bees, and farm-raised fish.
- Losses can be due to disease, adverse weather, or other conditions (e.g., blizzards and wildfire on private land), as determined by the Secretary of Agriculture.
- Provides aid for losses not covered under LIP or LRP.
- Program is made permanent.
- No risk management purchase requirement.
- Annual funding limited to \$20M per fiscal year.

Note: Changes from 2008 FB are in red.

Examples of Losses Eligible under ELAP

- Losses in honey production due to colony collapse disorder.
- Additional costs incurred to purchase feed for livestock or lost feed due to flooding.
- Grazing losses due to grasshoppers.
- Grazing Losses due to fire on privately managed land.

Thank you for your time.

Questions?

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