

Livestock Disaster Programs

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The new farm bill extended the livestock disaster payments authorized by the 2008 Farm Bill indefinitely and made the programs retroactive to October 1, 2011. Also, under the new legislation, producers are not required to purchase crop insurance or participate in NAP (Noninsured Crop Disaster Assistance Program) to be eligible. This article briefly discusses the Livestock Forage Disaster Program (LFP), the Livestock Indemnity Program (LIP), and the Emergency Assistance for Livestock, Honeybees, and Farm-Related Fish (ELAP) disaster programs. The discussion will focus on the provisions of the disaster programs that are most applicable to farmers in the Midwest. It is important to note that there is some overlap between the coverage of the three livestock disaster programs discussed below. A producer cannot receive payments for the same livestock from more than one of the disaster programs. Producers who think that may be eligible for one or more programs are encouraged to contact their local FSA office.

Livestock Forage Disaster Program (LFP)

The LFP program provides compensation to eligible livestock producers who suffer grazing losses due to drought conditions. The eligible livestock producer must have provided grazing for covered livestock in a county that was affected by a drought during the normal grazing period for the county. Eligible livestock include beef cattle, buffalo, dairy cattle, sheep, goats, poultry, and swine. The U.S. drought monitor is used to determine whether the county experienced a drought in a given month. Using the drought monitor, an eligible producer will receive 1, 3, 4, or 5 monthly payments. Monthly payments are based on monthly livestock feed cost (feed grain equivalent) or monthly feed cost computed using the normal carrying capacity for the grazing land.

The sign-up for LFP started on April 15, 2014 and ends on January 30, 2015. Grazing losses that occurred during the last three months of 2011, and for 2012 to 2014 are eligible. Of course, for the Midwest, the primary period of interest in the 2012 grazing period. Signup for 2015 and subsequent years should occur no later than 30 days after the calendar year in which the grazing loss occurred.

Livestock Indemnity Program (LIP)

The LIP program provides compensation for livestock deaths in excess of normal mortality caused by adverse weather. Eligible adverse weather events include floods, blizzards, disease (Anthrax only), earthquakes, wildfires, extreme heat, winter storms, lightning, and extreme cold. Drought is not an adverse weather event under the LIP program. Eligible livestock include beef cattle, buffalo, dairy cattle, sheep, goats, poultry, and swine. It is important to note that contract poultry and swine growers are eligible for the LIP program. Also, it is important to note that

livestock have to be used for commercial purposes to be eligible. Normal mortality rates are defined by FSA. LIP payments are equal to 75 percent of the fair market value of the livestock.

The sign-up for LIP started on April 15, 2014 and ends on January 30, 2015. Producers with excess death losses that occurred during the last three months of 2011, and for 2012 to 2014 are eligible. Signup for 2015 and subsequent years should occur no later than 30 days after the calendar year in which the death loss occurred.

Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP)

ELAP provides emergency assistance to eligible producers of livestock, honeybees, and farm-related fish for losses due to disease, adverse weather, or other conditions not covered by LFP and LIP. It is important to note that total payments are capped at \$20 million per year. Eligible livestock include beef cattle, buffalo, dairy cattle, sheep, goats, poultry, and swine. Eligible livestock losses include grazing losses, feed losses (e.g., damaged or destroyed feed, additional feed purchased above normal amount), and additional costs associated with transporting water.

The 2012 and 2013 ELAP signup begins on April 15, 2014 and ends on August 1, 2014. The 2014 ELAP program begins on April 15, 2014 and ends on November 1, 2014. The 2015 and subsequent year ELAP sign-ups begin on October 1 and ends on November 1 after the end of the program year in which the loss occurred.