

Fact Sheet

2003 Livestock Assistance Program



Overview

The 2003 Livestock Assistance Program (LAP) provided direct payments to eligible livestock producers who suffered grazing losses due to natural disasters during calendar year 2001 or 2002.

LAP provided assistance to eligible producers in approved counties. To be approved, a county must have suffered a 40 percent or greater loss of available grazing for at least 3 consecutive months as a result of damage due to drought, hot weather, disease, insect infestation, flood, fire, hurricane, earthquake, severe storms, or other disasters during the 2001 or 2002-crop years. The maximum grazing loss allowable for payment was 80 percent. A county must have been approved as a primary disaster area under a Secretarial disaster designation or as a Presidential disaster declaration after January 1, 2001. Counties named only as contiguous were not eligible. Counties seeking designation or declaration as primary counties should have submitted their requests before February 20, 2003, and received subsequent approval to receive assistance.

Eligibility for LAP benefits for an individual producer was based on whether a natural disaster caused the producer in an approved county to suffer a 40 percent or greater

loss of grazing for 3 or more consecutive months during either of the calendar years (CY) 2001 or 2002. If a county was approved for 2001 and 2002, and a producer in that county suffered a qualifying grazing loss both of those years, that producer must have chosen either 2001 or 2002 as the year to receive LAP payment. A producer did not receive LAP assistance for more than one year.

Eligibility Requirements

Eligible livestock included beef and dairy cattle, buffalo or beefalo (when maintained on the same basis as beef cattle), sheep, goats, swine, and equine animals used commercially for human food or kept for the production of food or fiber on the owner's farm. To meet eligibility requirements, producers had to own or lease affected livestock for at least 3 months before the payment period.

To be eligible for LAP, a producer must have:

- Possessed beneficial interest in eligible livestock or have financial risk in eligible livestock (beneficial interest refers to title and control of the livestock);
- Reported eligible livestock and grazing acreage on form CCC-740;
- Reported percent of loss of grazing on form CCC-740;

- Completed "person" determination forms;
- Certified adjusted gross income on form CCC-526;
- Certified conservation compliance on form AD-1026; and
- Been a U.S. citizen or an alien legally residing here.

LAP assistance was based upon the value of feed calculated on a corn equivalency basis required for eligible livestock during at least a 3-consecutive-month period where a minimum 40 percent feed loss occurred. A producer must have experienced sufficient grazing loss for eligible livestock to receive the maximum payment. A producer's grazing loss, reported on form CCC-740, could not have exceeded the maximum grazing loss established for the county.

Payment Offsets from 2002 Cattle Feed Program and Livestock Compensation Program

The statute authorizing LAP mandated that the amount of assistance a producer received under LAP shall be reduced by the amount of assistance the producer received under the 2002 Cattle Feed Program and the Livestock Compensation Programs I and II.

Additional Benefits

Additional benefits for losses due to the 2001 or 2002 natural disaster were also available for forage losses under the Noninsured Crop Disaster Assistance Program or FSA emergency loans. Because a single allocation of \$250 million was available to fund LAP nationwide, FSA applied a national factor to ensure equitable distribution of benefits to all eligible producers. However, because the LAP application amounts were less than the \$250 million appropriated, the national factor was 1.000.

LAP Sign-up

Sign-up for the 2003 LAP began August 6, 2003, and ended November 21, 2003.

Applications for LAP benefits must have been filed in the local USDA Service Center. When producers applied for LAP, they were required to provide the following information:

- The number, kind of livestock, and weight range of livestock owned or leased during CY 2001 or 2002, as applicable, and the producer's share in those livestock;
- Acres, location, and type of grass or forage used to support eligible livestock in CY 2001 or 2002, as applicable;
- An estimated percentage of producer's loss of grazing for each year, as applicable; and
- Information about significant changes in livestock numbers, including dates when the changes occurred.

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