Farm Service Agency



Fact Sheet April 2002

Lamb Meat Adjustment Assistance Program

Overview

USDA Farm Service Agency's (FSA) Lamb Meat Adjustment Assistance Program (LMAAP) is a 4-year program started in 2000 to help stabilize the lamb market. The \$67.7 million program helps producers compete with foreign competitors in the marketplace. The program was authorized by Section 32 of the Act of August 24, 1935, as amended.

Program Timeline

The program has four program vears:

- Year 1 July 22, 1999, through September 30, 2000;
- Year 2 August 1, 2000, through July 31, 2001;
- Year 3 August 1, 2001, through July 31, 2002;
- Year 4 August 1, 2002, through July 31, 2003.

Each program year has various types of payments and eligibility requirements. Funds not used during one year are carried into the following years.

Program Years 1 and 2

Year 1 of LMAAP included payments for rams, sheep improvement, and facility improvement. The maximum combined total payment to a sheep

and lamb operation was \$5,500. In Year 2, producers were eligible for payments of \$3 for each feeder lamb and \$5 for each slaughter lamb. Producers were eligible for a total payment of \$8 for each marketed slaughter lamb.

More information on LMAAP in Years 1 and 2 is available from the previous FSA fact sheet, "Lamb Meat Adjustment Assistance Program," dated August 2000.

Program Years 3 and 4

Years 3 and 4 add incentive payments for ewe lambs in addition to payments for feeder and slaughter lambs.

Eligibility Requirements

To be eligible, applicants must be engaged in the business of producing and marketing agricultural products at the time of application.

In addition, slaughter lambs must meet the following criteria:

- be marketed during August 1, 2001, through July 31, 2003;
- be owned by operation at least 30 days before marketing;
- carcasses must:
 - meet the requirements of USDA Quality Grade Choice or Prime:
 - meet the requirements of USDA Yield Grade 2;

- have a muscling confirmation score of Average Choice or better;
- have a 55-75 pound dressed hot carcass weight;
- be certified by a USDA Agricultural Marketing Service (AMS) agent or an assigned representative;
- be marketed between June 1 and July 31 of each program year in order to receive the \$8 per carcass incentive payment.

Feeder lambs must:

- be marketed during the period August 1, 2001, through July 31, 2003;
- be owned by the operation continuously from birth until the time of marketing;
- be thick-muscled and large framed, as determined by AMS.

Ewe lambs must:

- not be older than 18 months of age:
- not have produced an offspring;
- not possess the characteristics of parrot mouth, foot rot, or scrapie;
- be maintained in the herd for at least one complete offspring lambing cycle.

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Payments

Payment rates are:

- \$3 per head for feeder lambs;
- \$5 per head for slaughter lambs;
- \$8 total per head for slaughter lambs marketed during June 1 through July 31 of Years 3 and 4;
- \$18 per head for each ewe lamb purchased or retained for breeding purposes during the period of August 1, 2001, through July 31, 2003.

There are no maximum payments or herd limits, but feeder lamb producers whose gross income for calendar year 2001 or 2002 exceed \$2.5 million are ineligible for payments.

In order for producers to receive payment, the slaughtered lamb carcasses and feeder lambs must be certified by an AMS agent or their assigned representative. However, feeder lamb producers do have the option to self-certify the eligibility requirements.

Application Process

Applications (Form FSA-383) are available at local FSA offices or on the Internet at: http://forms.sc.egov.usda.gov/FormSearch.asp

Applications for Year 3 must be received in the FSA office by August 15, 2002, and by August 15, 2003, for Year 4. Producers must

complete the certification section of the form prior to submitting it to FSA. All data submitted on the application is subject to verification and spot checks by FSA. Refusal to allow verification will make the application invalid.

For More Information

More information on LMAAP is available from local FSA offices or on FSA's web site at www.fsa.usda.gov/dafp/psd

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