



UW Cooperative Extension Service  Profitable & Sustainable Agricultural Systems  Risk Management Agency

Livestock Forage Disaster Program helps manage risk of grazing losses

By James Sedman and John Hewlett

Livestock producers have traditionally been underserved in the areas of insurance options and disaster aid programs.

A number of insurance alternatives have been developed over the past five years specifically for livestock operations. Disaster aid had been provided on an as-needed basis with limited availability. The 2008 Farm Bill legislation created new and permanent disaster assistance programs for crop and livestock producers rather than relying on ad hoc legislation as in years past.

One program is the Livestock Forage Disaster Program (LFP). This program provides eligible producers compensation for grazing losses suffered through drought or fire.

LFP Provisions and Requirements

Specific types of grazing land are eligible for coverage under LFP. For losses associated with drought, grazing land must be non-irrigated improved or native pasture or planted sorghums intended for grazing.

Land that is privately owned, as well as cash or share-leased, is eligible. For losses from fire, pasture must be state or federally managed. Participants must be able to show

either a fixed-time lease or a contribution to maintenance inputs (such as stock wells, fences, or other improvements).

There are eligibility requirements for producers seeking to utilize LFP.

First, a producer must have owned the eligible livestock for at least 60 days previous to the disaster. The qualifying loss must take place in a declared disaster county (in cases of drought) or a recognized major fire area.

Second, a producer must have signed up for either Non-insured Disaster Assistance Program (NAP) coverage or Pasture, Rangeland, Forage-Vegetative Index Insurance (PRF-VI) to be eligible under LFP. Total payments under LFP are limited to \$100,000 per producer with the total disaster aid received per year capped at \$100,000.

Producers whose adjusted non-farm income exceeds \$500,000 are ineligible.

Eligible livestock under LFP are listed on the Farm Service Agency's (FSA) Web site at fsa.usda.gov. Follow the link to Disaster Assistance

Programs and then to the LFP program page (under Related Topics) and access the LFP Program Fact Sheet link under the first paragraph to view a list of eligible livestock. Most livestock grown in Wyoming are covered; however, eligible beef cattle must be more than 500 pounds in weight and not in a feedlot at the time a disaster occurs.

Livestock for recreational purposes are ineligible.

LFP Payment Process

Producers who suffer a loss should first report it to their local FSA office. Payments are made on drought depending on the severity of the drought in the area. The U.S. Drought Monitor statistics are used to calculate the severity of drought and payment level. A D2-level drought qualifies for one month, D3 for two months, and D4 for three months of payments.

The payment is calculated as 60 percent of the smaller of either the monthly payment rate (determined by the drought severity) times the number of head of livestock, or the number of acres divided by the nor-



mal carrying capacity times 30 days times the daily feed cost per animal unit. The payment rate is 80 percent for producers who sold livestock due to drought in the qualifying period.

The payment rate for fire-related losses is 50 percent and may not exceed 180 days.

For More Information

Consult your local FSA office for more information on signing up for LFP or other disaster programs.

For more information on what crop insurance policies would qualify an operation for these programs, consult a local crop insurance agent. They are able to tailor an insurance strategy to fit specific risk manage-

ment planning needs. Insurance agents are listed on the RMA Web site at www.rma.usda.gov under Agent/company Locator in the right sidebar on the page.

For more information on this and other risk management topics on the Web, visit the Western Risk Management Library's Web site.

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Agro-terrorism concerns Fairs fun with capital F but remain vigilant

By Ron Cunningham

Fairs since their inception in the early 1900s have always been considered a safe haven for youth to learn and display their hard work.

No one would argue that, and fairs have been providing a great learning showcase found nowhere else. Fairs provide a neat place to learn about agriculture and a way of life many crave today.

But, most of us have never given much thought that fairs are also an at-risk place. What better place for terrorists to spread animal diseases that only exist in other countries or spread highly contagious animal diseases that affect animals very quickly, or spread zoonotic diseases that both animals and humans can contract?

Agro-security issues like these are a major concern of the nation's livestock industry.

Many Visitors Attend Fairs

Fairs always welcome many



visitors every year whether moms, dads, grandmas, and grandpas or neighbors who come to see what the new trends are in the livestock industry or those who come to see what the judges are picking this year.

Any county or state fair is a place where people build lifelong memories, learn an appreciation for agriculture, savor the way of life many enjoy and others wish they

had, and where many build lifelong friendships.

If you have never been to a fair and grew up loving them, you have missed out on so many things and memories not found anywhere else.

A fair is always a fun place for 4-H'ers and FFA members to work together and show animals. Or, it might be making your own fun at a water fight at the livestock wash rack, or a water balloon contest at the camper lot always is a nice relief on a hot summer afternoon and fun for any who join in.

Or, it can be the fun when fair participants and guests alike head hand-in-hand with that new boy/girlfriend to enjoy the local carnival. Or, other fun times may be at the fairs' nighttime entertainment at the grandstands.

Fairs are Opportunities for Disruption

Fairs are a unique educational showplace for 4-H'ers, FFA mem-

bers, and adults to learn how to select and properly feed livestock, groom and show their animal projects, and try for that elusive champion ribbon, whether the champion animal or a purple ribbon for those favorite cookies or showing off what you learned with photography, entomology, garden, or rocketry projects.

Fairs are a neat place where kids and adults do things as families and



where they enjoy learning and doing things in which they have a common interest.

But, as you go and enjoy this year's fairs, make sure you are on guard for people who might use fairs as their way to disrupt the livestock industry and our nation's safe food supply.

Terrorists are not good people and do not have good intentions. If you see someone who acts as if he or she does not belong in a fair crowd or normal fair, contact fair management and local law enforcement.

Fairs are great assets we have always valued, but, let's all keep vigilant so we can keep them that way and continue enjoying them.

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