



### Livestock Indemnity Program (LIP)

#### OVERVIEW

The 2014 Farm Bill authorized the Livestock Indemnity Program (LIP) to provide benefits to livestock producers for livestock deaths in excess of normal mortality caused by eligible loss conditions, including eligible adverse weather, eligible disease and eligible attacks (attacks by animals reintroduced into the wild by the federal government or protected by federal law, including wolves and avian predators). LIP payments are equal to 75 percent of the market value of the applicable livestock on the day before the date of death of the livestock as determined by the Secretary.

LIP is administered by the U.S. Department of Agriculture (USDA) Farm Service Agency (FSA).

#### ELIGIBLE LIVESTOCK OWNERS

To be eligible for LIP, a livestock producer must have

legally owned the eligible livestock on the day the livestock died.

To be eligible for LIP, an owner's livestock must:

- Have died in excess of normal mortality as a direct result of an eligible loss condition that occurred:
  - On or after Oct. 1, 2011; and
  - No later than 60 calendar days from the ending date of the applicable adverse weather event.
- Have been maintained for commercial use as part of a farming operation on the day they died; and
- Not have been produced for reasons other than commercial use as part of a farming operation. Excluded livestock includes wild free-roaming animals, pets or animals used for recreational purposes, such as hunting, roping or for show.

Owners of the following types of livestock may be eligible for LIP:

Cattle	Poultry	Swine	Other
Adult Beef Bulls	Chickens, Broilers, Pullets (regular size)	Swine, Feeder Pigs (less than 50 pounds)	Alpacas
Adult Beef Cows	Chickens, Chicks	Swine, Sows, Boars, Barrows, Gilts (50 to 150 pounds)	Deer
Adult Buffalo, Beefalo Bulls	Chickens, Layers, Pullets/ Cornish Hens (small size)	Swine, Sows, Boars, Barrows, Gilts (151 to 450 pounds)	Elk
Adult Buffalo, Beefalo Cows	Ducks	Swine, Sows, Boars (over 450 pounds)	Emus
Adult Dairy Bulls	Ducks, Ducklings		Equine
Adult Dairy Cows	Geese, Goose		Goats, Bucks
Non-Adult Beef Cattle	Geese, Goslings		Goats, Nannies
Non-Adult Buffalo/ Beefalo	Turkeys, Pullets		Goats, Slaughter Goats/Kids
Non-Adult Dairy Cattle	Turkeys, Toms, Fryers, Roasters		Llamas
			Reindeer
			Sheep, Ewes
			Sheep, Lambs
			Sheep, Rams

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### ELIGIBLE LIVESTOCK CONTRACT GROWERS

To be eligible for LIP, a contract grower must have had the following on the day the livestock died:

- Possession and control of the eligible livestock; and
- A written agreement with the eligible livestock owner setting the specific terms, conditions and obligations of the parties involved regarding the production of livestock.

In addition to the requirements listed for livestock owners above, the only eligible livestock of contract growers under LIP are poultry and swine.

### ELIGIBLE LOSS CONDITIONS

An eligible loss condition includes any of the following that occur in the calendar year for which benefits are requested:

- Eligible adverse weather event;
- Eligible disease; and
- Eligible attack.

Eligible adverse weather event means extreme or abnormal damaging weather that is not expected to occur during the loss period for which it occurred, which directly results in eligible livestock death losses in excess of normal mortality. An eligible adverse weather event must occur in the calendar year for which benefits are requested. Eligible adverse weather events include, but are not limited to, as determined by the FSA Deputy Administrator of Farm Programs or designee, earthquake; hail; lightning; tornado; tropical storm; typhoon; vog, if directly related to a volcanic eruption; winter storm, if the winter storm lasts for three consecutive days and is accompanied by high winds, freezing rain or sleet, heavy snowfall and extremely cold temperatures; hurricanes; floods; blizzards; wild fires; extreme heat; extreme cold; and straight-line winds. Drought is not an eligible adverse weather event except when associated with anthrax, a condition that occurs because of drought and results in the death of eligible livestock.

Eligible disease means a disease that is exacerbated by an eligible adverse weather event that directly results in the death of eligible livestock in excess of normal mortality, including, but not limited to,

anthrax, cyanobacteria, (beginning in 2015 calendar year) and larkspur poisoning (beginning in 2015 calendar year).

Eligible attack means an attack by animals reintroduced into the wild by the federal government or protected by federal law, including wolves and avian predators, that directly results in the death of eligible livestock in excess of normal mortality.

### PAYMENTS

LIP payments are calculated by multiplying the national payment rate for each livestock category by the number of eligible livestock in each category. National payment rates are found at the end of this fact sheet.

The LIP national payment rate for eligible livestock owners is based on 75 percent of the average fair market value of the livestock, as provided in Table 1.

The LIP national payment rate for eligible livestock contract growers is based on 75 percent of the average income loss sustained by the contract grower with respect to the dead livestock, as provided in Table 2.

A contract grower's LIP payment will be reduced by the amount of monetary compensation received from his/her contractor for the loss of income suffered from the death of livestock under contract.

### PAYMENT LIMITATIONS AND ADJUSTED GROSS INCOME (AGI)

For 2012 and subsequent program years, no person or legal entity, excluding a joint venture or general partnership, may receive directly or indirectly, more than \$125,000 total in payments under the Livestock Forage Disaster Program, Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program and LIP combined per program year.

In applying the limitation on average adjusted gross income, an individual or entity is ineligible for payment under LIP if the average AGI of the individual or entity exceeds \$900,000.

Direct attribution provisions apply to LIP for 2011 and subsequent years. Under direct attribution, any payment to a legal entity also will be considered (for payment limitation purposes) to be a payment to

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persons or legal entities with an interest in the legal entity or in a sub-entity.

For more information on payment limitations, visit [www.fsa.usda.gov/limits](http://www.fsa.usda.gov/limits).

### APPLYING FOR LIP

Producers may apply to receive LIP benefits at local FSA offices.

Producers who suffer livestock death losses should submit a notice of loss and an application for payment to the local FSA office that maintains their farm records.

To be eligible, the notice of loss must be submitted 30 calendar days of when the loss of livestock is first apparent to the producer. An application for payment must be filed no later than 90 calendar days after the end of the calendar year in which the eligible loss condition occurred.

The following table provides the final dates to file a notice of loss and application for payments:

Date of Livestock Death	Final Date to File Notice of Loss	Final Date to Submit an Application for Payment
Calendar year 2016 and all subsequent years	30 days after death is first apparent	90 days after the calendar year in which the eligible loss condition occurred

The producer must include a copy of the grower contract if he/she is a contract grower and any other supporting documents required for determining eligibility. Supporting documents must show evidence of loss, current physical location of livestock in inventory and location of the livestock at the time of death.

Payments may be made for eligible losses suffered by an eligible producer who is now deceased or for a dissolved entity if a currently authorized representative signs the application for payment. Proof of authority to sign for a deceased individual or dissolved entity must be provided. If a producer is a dissolved entity, all former members at the time of dissolution or their duly authorized representative(s) must sign the application for payment.

### LIVESTOCK DEATH LOSS DOCUMENTATION

Livestock owners should record all pertinent information of livestock death losses due to adverse weather, disease and attacks by animals reintroduced into the wild by the federal government or protected by federal law.

Documentation of the number and kind of livestock that have died, supplemented if possible by such items as, but not limited to:

- Photographs or video records to document the loss, dated if possible;
- Purchase records, veterinarian records, production records, bank or other loan documents; and
- Written contracts, records assembled for tax purposes, private insurance documents and other similar reliable documents.

Applicants must provide adequate proof that the eligible livestock deaths occurred as a direct result of an eligible adverse weather event, eligible disease or eligible attack by an eligible animal or avian predator in the calendar year for which benefits are being requested. The quantity and kind of livestock that died as a direct result of the eligible event may be documented by:

- Purchase records;
- Veterinarian records;
- Bank or other loan documents;
- Rendering truck receipts or certificates;
- Federal Emergency Management Agency records;
- National Guard records;
- Written contracts;
- Production records;
- Records assembled for tax purposes;
- Property tax records;
- Private insurance documents; and
- Similar documents.

If adequate verifiable proof of death records documentation is not available, FSA will accept reliable records in conjunction with verifiable beginning and ending inventory records as proof of death. Reliable records may include, but are not limited to:

- Contemporaneous producer records existing at

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- the time of the adverse weather event;
- Picture(s) with a date;
- Brand inspection records;
- Dairy herd improvement records; and
- Similar reliable documents.

FSA will accept certifications of livestock deaths by third parties on form CCC-854 along with verifiable beginning and ending inventory documentation if the following conditions are met:

- The livestock owner or livestock contract grower, as applicable, certifies in writing:
  - That there is no other documentation of death available; and
  - The number of livestock in inventory at the time of the eligible loss condition.
- The third party provides their telephone number, address and a written statement containing:
  - Specific details about their knowledge of the livestock deaths;

- Their affiliation with the livestock owner; and
- The accuracy of the deaths claimed by the livestock owner.

FSA will use data furnished by the applicant to determine eligibility for program benefits. Furnishing the data is voluntary; however, without all required data, program benefits will not be approved or provided.

### FOR MORE INFORMATION

This fact sheet is provided for informational purposes only; other restrictions may apply. For more details, contact your local FSA office. To find your local FSA county office, visit <http://offices.usda.gov>. To learn more about FSA disaster assistance programs, visit <http://disaster.fsa.usda.gov>.

Table 1: LIP Payment Rates for Eligible Livestock Owners (rates have been reduced by the required 75%)			
Kind	Type	Weight Range	2016 Payment Rate Per Head
Alpacas			\$270.00
Beef	Adult	Bull	\$1,987.89
		Cow	\$1,529.14
	Non-adult	Less than 400 pounds	\$757.59
		400 to 799 pounds	\$819.65
		800 pounds or more	\$1,120.38
Buffalo/Beefalo	Adult	Bull	\$2,523.82
		Cow	\$1,346.04
	Non-adult	Less than 400 pounds	\$719.71
		400 to 799 pounds	\$778.67
		800 pounds or more	\$1,064.36
Chickens	Broilers, Pullets (regular size)		\$2.60
	Chicks		\$0.23
	Layers		\$3.27
	Pullets, Cornish Hens (small size)		\$1.69
	Roasters		\$3.43
Dairy	Adult	Bull	\$1,503.75
		Cow	\$1,503.75
	Non-adult	Less than 400 pounds	\$375.94
		400 to 799 pounds	\$751.88
		800 pounds or more	\$1,214.57
Deer			\$624.96
Ducks	Ducklings		\$0.67
	Ducks		\$4.21

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<b>Table 1: LIP Payment Rates for Eligible Livestock Owners (Continued)</b> (rates have been reduced by the required 75%)			
<b>Kind</b>	<b>Type</b>	<b>Weight Range</b>	<b>2016 Payment Rate Per Head</b>
Elk			\$867.50
Emus			\$249.29
Equine			\$1,059.47
Geese	Goose		\$21.84
	Gosling		\$4.59
Goats	Bucks		\$165.12
	Nannies		\$144.80
	Slaughter Goats/Kids		\$71.05
Llamas			\$217.50
Reindeer			\$624.96
Sheep	Ewes		\$120.62
	Lambs		\$153.04
	Rams		\$129.13
Swine	Feeder Pigs	Less than 50 pounds	\$33.30
	Lightweight Barrows, Gilts	50 to 150 pounds	\$59.91
	Sows, Boars, Barrows, Gilts	151 to 450 pounds	\$86.52
	Boars, Sows	450 pounds or more	\$169.81
Turkeys	Poults		\$1.25
	Toms, Fryers, Roasters		\$15.88

<b>Table 2: LIP Payment Rates for Eligible Livestock for Livestock Contract Growers</b> (rates have been reduced by the required 75%)			
<b>Kind</b>	<b>Type</b>	<b>Weight Range</b>	<b>2016 Payment Rate Per Head</b>
Chickens	Broilers, Pullets (regular size)		\$0.29
	Layers		\$0.20
	Pullets, Cornish Hens (small size)		\$0.19
	Roasters		\$0.38
Ducks			\$0.46
Geese			\$3.20
Swine	Feeder Pigs	Less than 50 pounds	\$3.78
	Lightweight Barrows, Gilts	50 to 150 pounds	\$9.00
	Sows, Boars, Barrows, Gilts	151 to 450 pounds	\$12.99
	Boars, Sows	450 pounds or more	\$69.78
Turkeys	Toms, Fryers, Roasters		\$1.75

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- 1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW, Washington, D.C. 20250-9410;
- 2) fax: (202) 690-7442; or
- 3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

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