



Livestock Indemnity Program 2005 Hurricane Assistance

Overview

USDA Farm Service Agency's (FSA) Livestock Indemnity Program (LIP) will provide payments to eligible livestock owners and contract growers who suffered eligible livestock deaths as a direct result of the 2005 hurricanes Dennis, Katrina, Ophelia, Rita, and Wilma. LIP funding is authorized by Section 32 of the Agricultural Adjustment Act of August 24, 1935. The Act allows the Secretary of Agriculture to use funds to re-establish a farmer's purchasing power.

Eligible Counties

Only those counties that received a primary presidential or secretarial disaster designation due to the calendar year 2005 hurricanes are eligible counties under LIP. LIP assistance is unavailable for contiguous counties are eligible counties under LIP.

A list of the eligible counties, located in Alabama, Florida, Louisiana, Mississippi, North Carolina, and Texas, is available online at: <http://www.fsa.usda.gov/pas/publications/facts/html/hurrcounties06.htm>.

Eligible Producers

- An eligible livestock owner is one who had legal ownership of the eligible livestock on the day the livestock perished.

- An eligible livestock contract grower is one who on the day the eligible livestock perished had:
 - A written agreement with the livestock owner setting the terms, conditions, and obligations of the parties involved regarding the livestock production; and
 - Possession of the livestock that perished.
- In addition, the livestock owner or contract grower must be a citizen of, or legal resident alien in, the United States.

Eligible Livestock

Eligible livestock categories are:

- Beefalo;
- Beef cattle;
- Buffalo;
- Dairy cattle;
- Deer;
- Equine;
- Goats;
- Poultry, including egg producers;
- Sheep; and
- Swine.

To be eligible, the livestock must:

- Have perished in an eligible disaster county as a direct result of one of the hurricanes during the applicable disaster period; and
- Have been maintained for commercial use as part of a farming operation on the day the livestock perished.

The following are not eligible:

- Loss or reduction in production, such as for milk or eggs; or
- Livestock produced or maintained for reasons other than commercial use as part of a farming operation. This included, but is not limited to, wild free-roaming animals or animals used for recreational purposes, such as pleasure, hunting, pets, or for show.

National Payment Rates

The per-head payment rate for each type of livestock is in the table on the following page. Other per-head payment rates for contract growers will be established if needed.

Payments

To calculate program payments, FSA will multiply the national payment rate established for each livestock kind/type/weight range by the number of applicable eligible livestock. Separate payment rates are established for livestock owners and contract growers.

The payment rate:

- For eligible livestock owners is 75 percent of the average fair market value of the livestock; and
- For eligible contract growers is 75 percent of the average income loss sustained by the grower with respect to the dead livestock.

Fact Sheet
Livestock Indemnity Program
2005 Hurricane Assistance

LIP Per-head National Payment Rates				
Kind	Type	Weight Range	Owner Payment Rate Per Head	Contract Grower Payment Rate Per Head
Beef	Nonadult	Less than 400 pounds	\$360.50	--
		400 pounds or more	\$458.34	--
Dairy	Adult	Cow	\$759.92	--
		Bull	\$987.75	--
	Nonadult	Less than 400 pounds	\$352.11	--
		400 pounds or more	\$704.21	--
Buffalo/Beefalo	Adult	Cow	\$1,408.42	--
		Bull	\$1,408.42	--
		Nonadult	Less than 400 pounds	\$225.00
Swine	Boars/Sows	Over 450 pounds	\$134.55	--
		Sows/Boars/Barrows/Gilts	151 to 450 pounds	\$73.53
	Lightweight Barrows/Gilts	50 to 150 pounds	\$56.27	--
	Feeder Pigs	Under 50 pounds	\$39.01	--
Sheep	Rams		\$33.04	--
	Ewes		\$33.99	--
	Lambs		\$74.45	--
Goats	Bucks		\$62.63	--
	Nannies		\$62.63	--
	Slaughter Goats/Kids		\$74.84	--
Chickens	Layers/Roasters		\$4.78	\$0.28
	Broilers/Pullets		\$1.83	\$0.22
	Chicks		\$0.15	--
Turkeys	Toms/Fryers/Roasters		\$10.46	--
	Poults		\$0.83	--
Ducks	Ducks		\$2.84	--
	Ducklings		\$0.46	--
Geese	Goose		\$12.90	--
	Gosling		\$2.71	--
Deer			\$405.00	--
Equine			\$562.50	--

LIP payments will be issued once the application is approved and the applicant submits all required documentation.

Payment Limitations

No "person" may receive more than \$80,000 in LIP payments. An individual or entity whose adjusted gross income exceeds \$2.5 million is ineligible for LIP benefits, unless 75 percent or more of their income is derived from farming, ranching, and/or forestry.

Sign-up

LIP sign-up will begin May 17, 2006, at local FSA offices.

For More Information

The LIP assistance is part of a \$4.5 billion USDA package of aid to help agricultural producers and rural communities recover from the 2005 Gulf Coast hurricane season. For more information on LIP and other USDA disaster aid programs, visit your local FSA office and FSA's Web site at: <http://disaster.fsa.usda.gov/fsa.asp>.

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Livestock owners and contract growers cannot receive benefits for the same livestock loss.

the grower received from a contractor for income loss due to the dead livestock.

FSA will deduct from a contract grower's payment, any compensation

FSA will not reduce payments for producers with private insurance.