LIP (Livestock Indemnity Program)

WHAT IS LIP?

LIP provides benefits to eligible livestock owners or contract growers for livestock deaths in excess of normal mortality caused by eligible loss conditions, including eligible adverse weather, eligible disease, and attacks by animals reintroduced into the wild by the federal government or protected by federal law.

**An individual or entity applying must have a Adjusted Gross Income (AGI) below $900,000*

WHO CAN APPLY?

A livestock owner must have legally owned the livestock on the day the livestock died and/or were injured by an eligible loss condition.

An owner's livestock must have either:
- **died in excess of normal mortality as a direct result of an eligible loss condition,**
- **or been injured as a direct result of an eligible loss condition and were sold at a reduced price.**

Eligible livestock must:
- **have been maintained for commercial use as part of a farming operation on the day they died, and**
- **not have been produced or maintained for reasons other than commercial use as part of a farming operation.**

Excluded livestock includes wild free-roaming animals, and pets or animals used for recreational purposes, such as hunting, roping, or for show.

ELIGIBLE LIVESTOCK

CATTLE POULTRY SWINE OTHER

For a detailed list, please visit: https://www.rafiusa.org/blog/what-is-lip-and-how-to-apply/

ELIGIBLE EVENTS

Adverse Weather Event - 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 losses.
- Earthquake, hail, lightning, tornado, tropical storm, typhoon, vog, winter storm (if lasting 3 days w/ high winds, freezing rain/sleet, extreme cold, or heavy snow), hurricane, flood, blizzard, wildfire, extreme heat, extreme cold, or straight-line winds
  - Extreme heat must have a documented heat index of 105 degrees or greater for 3 days or more with nightly temperatures remaining 75 degrees or above.
  - Extreme cold: Newborn Livestock up to one month old: Temperatures 0 degrees or lower for more than 2 hours. All other livestock one month or older: Temperatures -20 degrees or less.
- DOES NOT include drought

Disease - a disease that is exacerbated by an eligible adverse weather event that directly results in eligible livestock losses OR a disease that is caused and/or transmitted by vectors - and vaccination or acceptable management practices are not available that directly result in loss in excess of normal mortality.
- Weather exacerbated: anthrax, cyanobacteria, and larkspur poisoning
- Vector caused: Blue Tongue, EHD and CVV.

Attack - 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 either injured livestock sold at a reduced price or death of eligible livestock, in excess of normal mortality.

FSA CONTACT INFORMATION

Visit: **https://offices.sc.egov.usda.gov/locator/app** to locate your nearest FSA office. If you have trouble locating, getting in touch, or receiving adequate service from? your agent, please let us know.

HOW TO GET A PAYMENT

LIP Payment for Livestock Mortality
= national payment rate* x # livestock affected x producer's share

***National Payment Rate = 75% of average fair market value (for mortality)**
= 75% of average income loss (for mortality contract livestock)

LIP Payment for Injured Livestock Sold at Reduced Price
= national payment rate - income from sale x producer's share

Example LIP Calculation
A farmer has full ownership over 20 head of adult beef bulls that died due to an extreme flooding event. Based on FSA's LIP payment rate (which is 75% of the average fair market value of adult beef bulls) the farmer's LIP payment would be:
$1,195.31/head x 20 head x 100% = $23,906.20

WHAT TO DO BEFORE A LOSS

KNOW YOUR COUNTY FSA AGENT → KEEP GOOD DOCUMENTATION OF YOUR LIVESTOCK → ENSURE THAT YOU HAVE ALL GROWER CONTRACTS

WHAT TO DO AFTER A LOSS

DOCUMENT LOSS

Supporting documents must show evidence of loss, current physical location of livestock in inventory and location of the livestock at the time of death.

- Have notes about how many, what kind of livestock were lost
- If sold for reduced price due to injury, have sales receipts

CONTACT LOCAL FSA OFFICE

- Submit Notice of Loss to FSA office within 30 days of when loss/injury became apparent
- Submit application to FSA office within 60 days after the calendar year in which the loss/injury occurred
  - Contract Growers - include copy of contract
  - All - include documentation to support loss

To learn more and inquire about particular FSA disaster assistance programs, email *resourcesforresilientfarms@rafiusa.org* or call 877.207.6373

About the Farmers of Color Network at RAFI-USA

FOCN develops relationships with farmers of color in order to support and honor multi-generational organizing, sustainable agricultural practices, and ancestral traditions and knowledge. FOCN provides farmer-led technical assistance, offers funding opportunities, and hosts networking events and gatherings to expand market access.