

# **National Crop and Livestock Disaster Programs in the Iraq Supplemental Appropriations (May 24, 2007)**

## **Crop Disaster Program**

The legislation provides crop production loss assistance in a manner similar to previous disaster programs for quantity losses occurring from natural disasters and related conditions that occurred in 2005 or 2006 or 2007, with the losses for 2007 crops covered only if the crop subject to the loss was planted prior to February 28, 2007.

A producer would choose one of the 3 years in which they could receive benefits. The quantity loss threshold for eligibility is 35% and the payment rate is set at 42% of the established crop insurance price. Only producers with crop insurance coverage or that signed up for the Non-insured Assistance Program would be eligible for assistance. The 95% crop value cap and deduction for crop insurance indemnities would be in place.

Quality loss assistance is based on the actual, local market discounts suffered by producers based on their crop sales receipts, or as established by the State Farm Service Agency Committee.

Payments are to be made on 65% of the crop quantity subject to quality discounts at a payment rate equal to 42% of the market loss sustained and provided that the producer had crop insurance or NAP coverage.

## **Livestock Programs**

As with the Crop Disaster Program, a producer would choose for each livestock program one of three years for which he or she would receive benefits.

The Livestock Compensation Program provides benefits for producers in designated disaster counties for their added costs of procuring livestock feed in 2005, 2006 or 2007 (up to February 28, 2007). The payment rate is 61% of the payment made under the LCP announced in the Federal Register notice dated February 12, 2007. Eligible livestock under that announcement are: adult or non-adult dairy cattle, beef cattle, buffalo, beefalo, equine, poultry, elk, reindeer, sheep, goats, swine, deer, catfish and other livestock the Secretary may designate.

A Livestock Indemnity Program (LIP) would be available to cover livestock deaths caused by a natural disaster or related condition that occurred in 2005, 2006 or 2007 (up to February 28, 2007), including losses due to hurricanes, floods, wildfires, blizzards and anthrax. The payment rate is to be not less than 26% of market value of the livestock on the day before the date of death, as determined by the Secretary.

*The Secretary of Agriculture has authority to ensure a producer does not receive duplicative payments for the same losses in conjunction with other federal disaster assistance programs. The \$2.5 million Adjusted Gross Income Limitation applies, as does the \$80,000 payment limit for the Crop Disaster Program and the various payment limits for the livestock programs.*