

ACGA Information Sheet on Drought and Disaster Programs

Background

Arizona is clearly in the grip of a drought. Most of Arizona's rangelands did not receive anywhere near average rainfall and surface water runoff into stock ponds had been dismal. Many ACGA members have reported large reductions (either recently instituted or maintained) of the number of cattle they currently range. The ACGA has been diligently working with the Governor's Office and many state and federal agencies to facilitate and deliver these programs to Arizona's ranching families. The ACGA will soon begin an education program for producers on drought and our website at www.arizonacattlemensassoc.org and magazine will include extensive information regarding these programs. The following summaries are designed to give producers a brief understanding of each of these drought programs.

Noninsured Crop Disaster Assistance Program (NAP)

The NAP Program is a "government insurance" program for native rangelands. It is operated by the USDA Farm Services Agency (FSA). The program is designed so that producers can pay an annual premium (\$250) and be covered with "range insurance" for that grazing year. The program requires that rangelands be measured or monitored at a couple of sites in each county (normally done by federal agency or the cooperative extension in October or November). Once these measurements are reported to FSA they announce whether or not a 50% forage loss has been experienced in the county. A 50% loss is required to trigger an insurance payment by FSA. The higher the level of grazing loss the larger the payment calculations become. ACGA has been notified that preliminary surveys have already demonstrated forage losses of 70% or more. The sign up period for the 2010 Grazing year ends on October 31, 2009.

Livestock Forage Disaster Program (LFP)

The USDA announced recently the implementation of the LFP Program. This program is designed to be an ongoing program that is easily understood and implemented. The LFP is designed so that once any area of any county has been categorized as D2 (Severe Drought) for 8 weeks by the National Drought Monitor www.drought.unl.edu/dm/monitor.html the program begins. The program begins with a one month payment after 8 weeks in D2. A producer will go into their local FSA Office and apply. If the drought continues for another 4 weeks in D2 another month's payment accrues. This can occur for 3 months in any one year. Current calculation forms demonstrate that these payments may be between \$20 - \$40 per head depending on a number of conditions – such as acres owned; acres under lease; and federal permits. All of these types of arrangements qualify for the LFP. There are some factors related to the prior removal of animals which may reduce these payments.

For more information go to: www.azcattlemensassoc.org or contact Patrick Bray at pbray@arizonabeef.org