

**EXTENSION****AGEC-281**

Federal programs for beef cattle producer wildfire recovery

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Oklahoma has a large number of native and improved pasture acres dedicated to beef cattle production, and dry or dormant grasses can be hard hit during peak wildfire season. Producers can begin the process of recovery with the financial help of disaster programs after a wildfire is out and initial injuries are treated. Producers may already be familiar with the alphabet soup of disaster and recovery programs and are aware that most USDA disaster assistance cost-share programs are designed to offset some or even most of the loss. Unfortunately, these programs are unlikely to offset all of the loss. In addition, special provisions can be announced for programs in wildfire affected counties, so it is a good idea to sign up for text updates from a local Farm Service Agency office. For example, in March 2024, special provisions were announced for grazing Conservation Reserve Program acres, which could allow landowners with CRP acres to help their neighbors by temporarily housing cattle on nearby CRP fields. Individual factsheets describing each of the programs listed below can be found on www.farmers.gov and on the Farm Service Agency website <https://www.fsa.usda.gov>. All USDA programs have an eligibility requirement limiting payments to producers or legal entities with an adjusted gross income of less than \$900,000.

Programs for cattle losses

Cattle can perish in wildfires, be euthanized due to severe injuries, or be permanently removed from production and sold as cull cows due to injuries. Peak spring wildfire risk can occur while producers are still in calving season, leading to additional deaths, injuries or secondary illness in calves.

The Livestock Indemnity Program pays 75% of the market value for cattle losses in excess of normal mortality due to a qualifying disaster event. The payment rates for each year are fixed and published online in the factsheet describing the program. LIP includes all commercial livestock, which can include working horses.

LIP notice of loss and applications are due by March 1 in the year following the disaster event. In the past, a notice of loss was required within 30 days of the loss becoming apparent, but that requirement was changed in 2023. The notice of loss and application can be submitted at the same time; however, it is recommended that producers not delay in submitting an LIP application. First, documentation will need to be gathered immediately following the loss and it will be easier to find inventory records for the day prior to the disaster if the application is filled out soon after the event. Second, payments from LIP can be used to offset other costs of repair and damage mitigation. Finally, producers may need to consider the timing of disaster payments for tax purposes. Consult a tax professional for how a disaster payment and disaster expenses should be reported.

Ownership and documentation requirements are the same, regardless of when an application is submitted. Records of beginning and ending inventory, vet records (pregnancy checks), program applications with cattle numbers and loan documents can be used to show ownership of commercial livestock. Pictures or videos with dates, rendering receipts, vet records and other third party documentation can be used for loss documentation. Contact the FSA office in the county where the loss occurred immediately following the event to confirm documentation requirements before disposing of any carcasses.

LIP also pays some indemnity for cattle sold within 30 days of the wildfire due to injury. If cattle are sold to a third-party for an amount below the LIP indemnity rate, then livestock owners may be eligible to receive the difference between the indemnity rate and the value at sale. Again, documentation is required. As of the 2018 Farm Bill, there is no maximum payment cap on LIP payments.

For additional details, see the recent OSU Extension publication “FSA Offers Program For Livestock Loss Due To Wildfires” on the Emergency and Disaster Preparedness webpage (<https://extension.okstate.edu/programs/emergency-and-disaster-preparedness/>).

Programs for damages to fencelines and pastures

Many miles of fence lines are lost or damaged during wildfires. The Emergency Conservation Program provides assistance to replace and repair fences as well as replace water tanks lost in wildfires. ECP is a little different from other programs. First, state and county FSA committees administer the ECP program. These committees are made up of members of the agricultural community, not FSA employees. Since the program is administered at the county level, exact enrollment periods and eligibility may vary. Stay in contact with the county office to find out if ECP has been activated and the guidelines for applying.

For applications under \$250,000, the county FSA committee will review the application. Larger applications will go to the Oklahoma FSA committee. ECP will pay up to 75% of the cost to restore the operation and up to 90% of the cost for beginning farmers and ranchers, socially disadvantaged farmers and ranchers or limited resource farmers and ranchers.

ECP can be used to help pay for a variety of restoration activities, but after a wildfire the most critical need for many cattle producers is the restoration of fences including cross fences, boundary fences and gates. For fences built with t-posts and galvanized wire, repair may be all that is needed. ECP has separate payment rates for replacement and repair. For fences built with wooden posts, or fences that had cedar trees in the fence line, full replacement may be necessary.

As a part of the application process, damages must be assessed and documented by the FSA, or the producer if the county office allows, prior to clean up and damaged fence removal. Running an electric fence inside the boundary of the damaged fence should be fine. Contact your FSA office for local rules set by the county committee but don't replace the existing fence before the application is approved. ECP is limited to \$500,000 per person or legal entity per disaster.

A critical change made by FSA after the 2024 wildfires was the potential to get an advanced payment of up to 25% of the cost share for approved ECP applications. With fencing costing between \$10,000 and \$20,000 per mile depending on the land type and materials, this could be incredibly helpful to landowners.

Producers who have a Non-insured Crop Disaster Assistance Program forage policy have some protection against a wildfire caused reduction in grazing capacity. NAP provides a yield-based disaster payment, and a notice of loss can be submitted through the county FSA office where the NAP policy was sold.

Programs for feeding and watering surviving cattle

The Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program covers a lot of ground and has evolved over time, which can make it confusing to use. ELAP may be used in three ways by producers and landowners affected by wildfire. ELAP does not have a payment limitation, as of the 2018 Farm Bill. ELAP notices of loss and applications are due by March 3 of the year after a loss has occurred.

First, ELAP provides compensation for grazing and feed losses due to wildfire on non-federally managed land. Payments are based on the number of grazing days a pasture cannot be used due to the fire but cannot exceed 180 days. The formula used to calculate the payment will multiply the daily value of grazing (\$1.94 daily rate in 2024) by the normal carrying capacity on that land as determined by FSA. That number is multiplied by the number of days that were lost due to the fire.

Second, ELAP reimburses the producers for the transportation cost of hay. This may sound familiar from the 2022 drought, but wildfire is another eligible condition for the ELAP hay and feed transportation program. Producers can be reimbursed for mileage (up to \$6.60 per mile in 2024) for hay and feed brought in from more than 25 miles away. Once again, documentation is key, and producers should retain detailed receipts that include a source address and a delivery address as well as a date.

Finally, and less commonly used, ELAP covers the cost of hauling water to livestock at a rate of 10 cents per gallon. This may apply if water has to be purchased and hauled to a temporary location. After trees or grass have burned away from creeks or ponds, those areas may need to be fenced off temporarily during clean up. Temporary watering facilities could be needed, and ELAP can be used to haul water to those locations.

Emergency grazing of Conservation Reserve Program land

Oklahoma has many CRP acres, particularly in the western counties. FSA may issue a special provision to authorize emergency haying and grazing of CRP land after spring wildfires until the beginning of the primary nesting season. If cattle are displaced, either due to grazing damage or fence line damage, producers may consider talking to FSA about the potential for emergency CRP grazing. The landowner with the CRP contract will need to make the request for emergency grazing, and the livestock owner can apply for the ELAP program to help offset the cost of temporary rental of the land for grazing and for the transportation of livestock to that pasture. This will require coordination between landowners, cattle owners and potentially two different FSA offices.

Emergency farm loans

Producers can also apply for FSA emergency loans. These loans can be used to repair or replace damaged fences, farm buildings, pens, equipment and stored feed or hay. Emergency loans can also be used to cover essential family living expenses in the aftermath of wildfire, or refinance certain debts. Loans can cover up to 100% of the losses experienced at a reasonable interest rate, but no more than \$500,000 per individual or legal entity. Repayment terms and interest rates can vary. Apply for emergency loans through the nearest FSA Farm Loan Servicing Center.

Have a designated record keeper to control the chaos

Each of these programs has its own rules, timelines, application and documentation requirements. Do you have one person on your farm or ranch that is good with records? Designate that person as the key point for all records, applications and documentation to help spread out the responsibility ... and the stress. That person can keep the applications lined up and make sure they are on top of the next deadline or financial step. It may well be a full-time job in the days following a wildfire. As always, reach out to your county Extension office for additional questions or to get access to any of the factsheets mentioned.

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