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BY THE NUMBERS

\$13.6B

LFP payments since 2008, computed
from the project's Farm Payment Files
archive

185

counties eligible for LFP in 12+ of 17
program years

+45–135%

projected growth in annual LFP costs
by end of century

12

public data archives released, with
DOIs and reproducible code

PROJECT AT A GLANCE

Three-year cooperative agreement
with the USDA Office of the Chief
Economist (OEPP), in partnership
with the USDA Climate Hubs and
the Farm Service Agency. Led by
the Montana Climate Office at the
University of Montana — Montana's
official state climate office.

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DATA & CODE

sustainable-fsa.com



Sustainable FSA: Top-Line Takeaways

Modernizing the data behind FSA livestock disaster assistance

BOTTOM LINE

The question is not whether the Livestock Forage Disaster Program works as designed — it largely does — but whether the conditions it was designed for still exist. The data infrastructure, reproducible methods, and reform options to modernize the program are ready now.

1. Disaster response has become a recurring expense

LFP was designed as temporary assistance for acute, infrequent events.^{1, §1.1} It now triggers nearly every year across much of the West, per FSA county staff accounts^{1, §4.1} and program records: 185 counties were eligible in 12+ of 17 program years (2008–2024), and Maui County, HI in 16 of 17.^{1, §3; 2} Staff report producers incorporate expected LFP payments into operational budgets, and that non-trigger years create financial strain.^{1, §4.4, §7, §11, §16} Annual program costs are projected to increase 45–135% by end of century.³ LFP has distributed more than \$13.6 billion since 2008 (program years 2008–2024, nominal; \$13.8 billion including 2025 payments to date).⁴ Every dollar spent on recurring response is a dollar unavailable for preparation — shifting resources upstream toward drought readiness and forage resilience is the fiscally conservative path.

2. The data behind eligibility has drifted from on-the-ground conditions

The USDM often classifies drought against 60-year-or-longer reference baselines;^{5; 6, S-5, S-6} peer-reviewed work shows re-anchoring to the standard 30-year normal better reflects current conditions,⁵ a position echoed by the National Academies.^{6, Rec. 8-2} County Normal Grazing Periods largely trace to the one-time national calculation under FSA Notice NAP-190 (2017), with annual state-committee reviews frequently rolled over.^{1, §1.1; 7–9} LFP eligibility is adjudicated using a non-authoritative county boundary dataset essentially unchanged since 2012, while the Census has recorded hundreds of county boundary changes over the same period.¹⁰ Current, auditable inputs mean payments go where and when losses actually occur — fiscal integrity and reduced red tape for county staff.

3. Payment rules penalize good land stewardship

Payments are capped at pre-drought “normal” carrying capacities,¹¹ rewarding maintained herd sizes on drought-stressed range.^{1, §1.1} Producers who move livestock outside the designated county during a qualifying drought forfeit eligibility.^{1, §1.1, S15; 12} “Feeding through drought” — the practice LFP supports — is the most expensive drought-management option, with longer recovery than alternatives such as relocating cattle to leased pasture outside the drought area or early culling and partial destocking.¹³ Prolonged grazing during drought depletes soil nutrients and suppresses rangeland productivity for years to decades.¹⁴ LFP thus subsidizes the worst-performing strategy while its eligibility rules actively penalize the two best.

4. The producers leading on adaptive practices lack a safety net

New entrants in Western Montana disproportionately pursue diversified, direct-market, and small-scale operations.^{15; 16} Many operate on informal or “handshake” leases,^{15; 17} and formal lease documentation is required for LFP and most USDA programs.¹⁸ FSA staff identify lease documentation as the single biggest barrier for beginning farmers, who fear jeopardizing landlord relationships by requesting it — some decline drought payments entirely on that basis.^{15, S5, S23} Per-acre/per-head payment scaling makes participation uneconomical at small scales.^{1, §4.1; 15, S1} The structural catch-22: informal tenure both enables land access and disqualifies producers from support.^{15; 19} The next generation of ranchers is innovating without a backstop.

5. Recurring disaster administration is straining FSA's county offices

Staff describe being “consumed” by LFP when it triggers,^{1, §4.3, S23} compounded by chronic understaffing and unfilled positions since COVID-era retirements,^{1, §4.3, S12} with application backlogs past program deadlines.^{1, §4.3, S19} Veteran staff describe FSA's role shifting from farm-business services to sustained disaster administration.^{1, §4.1, S16, S21} Better reference data and streamlined records would return staff time to serving producers.

6. The fixes are ready: modernization, not elimination

The project rebuilt the county-level NGP calculation as a reproducible pipeline using FSA's own NAP-190 methodology and NOAA nClimGrid data, anchored to the 1991–2020 normals and re-runnable on each new normal.^{10; 20} FOIA-obtained archives of NGPs (2008–2026), LFP eligibility determinations (2008–2025), LFP county boundaries, the Farm Payment Files (2004–present), and weekly USDM mirrors (2000–present) are publicly archived.^{2; 4; 9; 10} Evidence LFP functions as designed: counties receiving significant payments maintained more stable stocking rates through drought.^{3; 21} Staff with decades of experience report LFP built trust with a historically government-skeptical population, drawing ranchers into the federal safety net.^{1, §4.1} Short-term fixes should include prorated eligibility for voluntary destocking and NGPs tied to actual forage seasonality.^{1, §4.2} Longer-term (Farm Bill): rebalance from response toward preparation. Modernize the trust infrastructure LFP has built — don't dismantle it.

Recommended actions

Administration. Re-derive Normal Grazing Periods from the current 30-year climate normals using the project's reproducible NAP-190 pipeline or similar, and refresh them with each new normal. Alternatively, standardize to year-round normal grazing periods as ELAP has done for perennial forage.²² Adopt authoritative county boundaries for eligibility determinations. Work with the USDM partnership to move drought classification to a 30-year reference standard.^{5; 6, Rec. 8-2}

Rulemaking. Allow prorated LFP eligibility for producers who voluntarily destock or relocate livestock in response to forage conditions, so payment incentives reward rather than penalize adaptive grazing.^{1, §4.2} Reduce documentation burden for small and beginning operations.

Legislation. Rebalance the livestock disaster portfolio from response toward preparation — drought planning, forage resilience, and water infrastructure — while preserving the rapid-payment architecture and producer trust LFP has built.

Next steps

The project's remaining months translate these results into factsheets, state office briefings, and a national working meeting with USDA OCE and FSA staff aimed at concrete program-administration improvements. We welcome OCE input on priorities for that meeting's agenda.

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