

## **Mexican Wolf Depredation Compensation**

There are currently two methods by which livestock producers can be compensated for depredation of livestock by Mexican wolves: The Agricultural Act of 2014 (2014 Farm Bill), which is administered by the U.S. Department of Agriculture Farm Services Administration (FSA), and the Mexican Wolf/Livestock Council.

### **2014 Farm Bill Livestock Indemnity Program (LIP)**

The 2014 Farm Bill authorized the Livestock Indemnity Program (LIP) to provide benefits to livestock producers for **livestock deaths in excess of normal mortality** caused by attacks from animals reintroduced into the wild by the federal government or protected by federal law, including wolves and avian predators. LIP does not compensate livestock producers for probable animal attack or avian kills, compensation is for confirmed kills only.

**NOTE:** If an animal was pregnant at the time of death, only the pregnant animal that died is eligible for payment under LIP. The unborn animal is **not** considered eligible livestock under LIP. **Calf must be born before or during attack to be considered eligible.**

Eligible livestock for LIP payments will be determined by multiplying the normal mortality rate for the specific kind/type and weight range of livestock by the number of livestock of that specific kind/type and weight range in inventory at the time of the eligible adverse event and subtracting the result from the number of eligible livestock lost because of the eligible adverse event.

Applicants must provide adequate proof that the eligible livestock deaths occurred as a direct result of an eligible attack by a Mexican wolf in the calendar year for which benefits are being requested. Documentation to substantiate eligible attacks by animals or avian predators must be obtained from a source such as, but not limited to, the following:

- APHIS, if available  
**Note:** APHIS is **not** responsible for verifying livestock death losses for LIP. However, APHIS may intermittently assist on a case-by-case basis should the requestor be currently participating in APHIS Wildlife Services damage management programs or located nearby. The APHIS Wildlife Services ability to assist producers with confirmed kills is voluntary and at the Wildlife Services State Director's discretion.
- Department of Natural Resources
- Other sources or documentation as determined by the Deputy Administrator.

**NOTE:** Depredation Report accepted by the Coexistence Council and completed according to their guidelines are acceptable by FSA to support deaths due to Mexican wolf attacks.

#### **Process:**

If you suspect you have a loss due to Mexican wolves:

- Contact APHIS Wildlife Services, Department of Natural Resources, or other source to obtain depredation report

- Within 30 calendar days of adverse event, contact the local FSA County Office in person, or by telephone, fax, or email to file the Notice of Loss.
- Once you have received your proof of death from Mexican wolf attack, gather documents to support inventory numbers by kind/type and weight range, and support documents of deaths due to normal mortality.
- Take support documents to local FSA County Office that handles your farm records and file application for payment before deadline (January 30 of year following calendar year of loss).

If participant is unable to get APHIS or Department of Natural Resources to provide documentation of eligible attack by animals, FSA will accept certifications of livestock deaths by third parties on form CCC-854 along with verifiable beginning and ending inventory documentation if the following conditions are met:

- The livestock owner certifies in writing that there is no other documentation of death available;
- The third party provides their telephone number, address and a written statement containing:
  - Specific details about their knowledge of the livestock deaths;
  - Their affiliation with the livestock owner;
  - The accuracy of the deaths claimed by the livestock owner

To be eligible to receive LIP benefits for livestock losses because of eligible attacks by Mexican wolves, the livestock producer must certify that he or she has not, and will not, receive benefits for more than 95 percent of the value of livestock lost because of attacks by wolves in a calendar year, from all Federal, State, and privately established programs combined, that compensate livestock producers for wolf depredation.

FSA will reduce LIP payments by any amount received for a particular animal for the same loss from a different source. Payments from all sources can't exceed 95% of the national average fair market value.

FSA will use data furnished by the applicant to determine eligibility for program benefits. Furnishing the data is voluntary; however, without all required data, program benefits will not be approved or provided. For detailed requirements on supporting inventory numbers, normal mortality deaths, and third party certifications; please contact your local FSA County Office.

FSA Service Centers can be found on their website at: <http://offices.sc.egov.usda.gov/>

**FSA Payment Rate for Owners on 2016 Losses:**

Kind/Type/Weight Range	2016 Payment Rate – 95% of the Fair Market Value	LIP Payment from FSA	Additional Payment by other agency
<b>Beef:</b>			
Adult Bull	\$2,517.99	\$1,987.89	\$ 530.10
Adult Cow	\$1,936.91	\$1,529.14	\$ 407.77
Non-adult / Less than 400 pounds	\$ 959.61	\$ 757.59	\$ 202.02
Non-adult/400 to 799 pound	\$1,038.22	\$ 819.65	\$ 218.57
Non-adult/ 800 pounds or more	\$1,419.15	\$1,120.38	\$ 298.77
<b>Equine</b>	\$1,342.00	\$1,059.47	\$282.53

All supporting documents must be completed by the participant and on file in the FSA County Office before applications can be approved for payment. The participant must have provided the following to the FSA County Office by no later than January 30 after the calendar year in which loss occurred:

- proof of death documentation, including documentation from APHIS, Federal and State DNR's, or other sources as determined by the Deputy Administrator, to document eligible attacks by animals and avian predators
- proof of normal mortality documentation
- livestock inventory reports for operation.

The following table provides the final dates to file a notice of loss and application for payments:

<b>Date of Livestock Death</b>	<b>Final Date to File Notice of Loss</b>	<b>Final Date to Submit an Application for Payment</b>
Calendar Year 2015 and all subsequent years	30 Days after death is apparent	Jan. 30 after the calendar year in which the loss occurred.

The Balanced Budget and Emergency Deficit Control Act passed by Congress in 2011 requires USDA to implement reduction to Livestock Indemnity Program (LIP). LIP payments will have a sequestration percentage applied to the payment amount determined after all other reductions have been applied. The sequestration percentage is determined based on the approval date of payment application:

<b>IF</b> the approval date is....	<b>THEN</b> the sequestration percentage will be....
October 1, 2014 through September 30, 2015	7.3 percent
October 1, 2015 through September 30, 2016	6.8 percent

## **Payment Limitations and Adjusted Gross Income (AGI)**

For 2012 and subsequent program years, no person or legal entity, excluding a joint venture or general partnership, may receive directly or indirectly, more than \$125,000 total in payments under the Livestock Forage Disaster Program, the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program and Livestock Indemnity Program combined.

In applying the limitation on average adjusted gross income (AGI), an individual or entity is ineligible for payment under LIP if the average AGI of the individual or entity exceeds \$900,000.

All participants must have on file a current farm operating plan for payment limitation purposes, an AGI certification, and a conservation compliance statement.

### **Example A - 2016 LIP application and payment calculation:**

Producer A submitted a timely notice of loss and an application for payment with supporting documents on inventory, losses due to normal mortality, and losses due to depredation by wolf. All other eligibility documents were on file.

Normal mortality losses: 1 Adult Cow, 2 Non-adults (400-799#), and 4 Non-adults (less 400#)

100 Beef Adult Cows – Normal mortality 2% = 2 less actual loss of 1 = 1 death threshold

70 Non-adult (400-799 lbs.) – Normal mortality 5% = 4 less actual loss of 2 = 2 death threshold

20 Non-adult (less 400 lbs.) – Normal mortality 7% = 2 less actual loss of 4 = no death threshold

Depredation report from approved source documented a Mexican wolf attack resulted in the death of 3 Adult Cows, 2 Non-adult (less 400#), and 1 Non-adult (400-799#).

Adult Cows: 3 killed – 1 death threshold = 2 eligible for LIP x \$1,529.14 = \$3,058.28

Non-adult (400-799#): 1 killed – 2 death threshold = none for LIP

Non-adult (less 400#): 2 killed – no threshold = 2 eligible for LIP x \$757.59 = \$1,515.18

Calculated LIP Payment of \$4,573 less 6.8 sequestration = \$4,262 Total LIP

Producer A could apply for an additional \$1,220 from the Mexican Wolf/Livestock Council

**Example B - 2016 LIP application and payment calculation:**

Producer B submitted a timely notice of loss and an application for payment with supporting documents on inventory, losses due to depredation by wolf, \$2,500 payment received from private insurance for losses due to wolf attack. No supporting documents for normal mortality submitted. All other eligibility documents were on file.

200 Beef Adult Cows – Normal mortality 2% = 4 death threshold

100 Non-adult (400-799 lbs.) – Normal mortality 5% = 5 death threshold

20 Non-adult (800 + lbs.) – Normal mortality 2.5% = 1 death threshold

Depredation report from approved source documents a Mexican wolf attack resulted in the death of 6 Adult Cows, 2 Non-adult (800 + #), and 8 Non-adult (400-799#).

Adult Cows: 6 killed – 4 death threshold = 2 eligible for LIP x \$1,529.14 = \$3,058.28

Non-adult (400-799#): 8 killed – 5 death threshold = 3 eligible for LIP x \$819.65 = \$2,458.95

Non-adult (800 + #): 2 killed – 1 death threshold = 1 eligible for LIP x \$1,120.38 = \$1,120.38

LIP payment before reductions = \$6,638

Remember the \$2,500 from private insurance for the same animals and same loss. Payments from all sources cannot exceed 95% of fair market value.

2 Adult Cows x \$1,936.91 fair mkt value = \$3,873.82

3 Non-adult 400-799# x \$1,038.22 fair mkt value = \$3,114.66

1 Non-adult 800+# x \$1,419.15 fair mkt value = \$1,419.15

Total fair market value = \$8,408 x 95% = \$7,988 maximum eligible

Calculated LIP payment \$6,638 + \$2,500 Cattlemen's payment = \$9,138 exceeds 95% fair mkt value by \$1,150.

Payment of \$6,638 less \$1,150 excess amount = \$5,488 less 6.8 sequestration = \$5,115 Total LIP

Producer B would not be eligible for any additional monies on these same animals for same loss from any other sources.

## **Mexican Wolf/Livestock Council**

The U.S. Fish and Wildlife Service (Service) in cooperation with the National Fish and Wildlife Foundation, established the Mexican Wolf /Livestock Interdiction Trust Fund (Trust Fund) on September 23, 2009. The objective of the Trust Fund is to generate long-term funding for prolonged financial support to livestock operators within the framework of cooperative conservation and recovery of Mexican wolf populations in the Southwest. The 11-member Mexican Wolf/Livestock Council (Council) has the authority to identify, recommend, and approve conservation activities, identify recipients, and approve the amount of the direct disbursement of Trust Funds to qualified recipients.

The Council developed these Depredation Compensation Guidelines to compensate livestock producers for wolf depredations. Most of the funding that the Council administers for depredation compensation funding comes from Federal grants to the states of New Mexico and Arizona through the Livestock Demonstration Project. Thus, the funding is administered separately for each state. While funding for depredation compensation in Arizona is solvent through at least calendar year 2016, current funding for depredation compensation in New Mexico has been exhausted for 2015. New Mexico received additional grant funding in October 2015, but it may not be available until spring of 2016, and it is not projected to fully compensate for all depredations in New Mexico in 2016. Depredation compensation will be paid until funds are exhausted in 2016 in accordance with the order of requests for compensation that are submitted. Producers in New Mexico are encouraged to consider these limitations under the Council when applying to FSA or the Council for depredation compensation.

### **Process:**

If livestock owners suspect they have incurred a livestock death or injury due to wolves:

- We recommend that you protect the evidence. Agency experts suggest covering the remains when possible and keeping the site undisturbed by other animals/people to preserve evidence in the area.
- Contact a local USDA APHIS-Wildlife Services (Wildlife Service) field representative, Tribal investigator, or the Interagency Field Team, who will coordinate an investigation, including meeting the livestock owner at an appropriate time and place. The Investigator will provide a completed Depredation Report Form to the owner/manager of the animal. The Depredation Report Form should provide a reasonable and complete record of evidence based on the Wildlife Services' "Criteria for Classification of Reported Depredation Incidents."
  - NM Wildlife Services: Morgan Whipple 575-680-0744
  - AZ Wildlife Services: Sterling Simpson: 928-245-0485
  - Interagency Field Team in Alpine, AZ: 888-459-9653 or 928.339.4329
  - White Mountain Apache Tribe: Sara Eno: 928.338.4385 or Sisto Hernandez: 928.338.1404 or [shernadez@wmat.us](mailto:shernadez@wmat.us)
  - San Carlos Apache Tribe: 928.475.2343 or Dewey Wesley: 928.200.0565

If the Investigator verifies in the Depredation Report Form that wolves were the cause, or probable cause, of the depredation (death or injury), the livestock owner can seek compensation from the Coexistence Council by submitting the following information:

- (1) A completed copy of the Depredation Report Form that was prepared by Wildlife Services, a Tribal investigator, or a member of the IFT that determines that the death or injury was confirmed and/or probable wolf depredation.
  - (2) The requested claim for depredation compensation
  - (3) Complete contact information for the livestock owner including phone number, mailing address, and best time to contact in case we have questions.
- Please submit the information above within 6 months of receiving your Depredation Report Form from the Investigator.

**Send the Information to:**

**Mexican Wolf/Livestock Council**

2105 Osuna Road NE  
Albuquerque, NM 87113  
Phone (505)761-4748

The Depredation Report Form and claim request will be submitted to the National Fish and Wildlife Foundation for payment from the Trust Fund directly to the livestock producer.

**Payment will be as follows (these values may be updated based on market value):**

<u>Domestic Cattle</u>		<u>Domestic Sheep</u>	
Bull	\$3,500	Ram	\$750
Cow	\$1,300	Ewe	\$225
Yearling	\$1,100	lamb	\$225
Calf	\$ 875		

- Claims for compensation that differ from the market values provided above will be considered on a case-by-case basis by the Council. The claim should be accompanied by a rationale and documentation for the different value.
- Probable depredations of cattle and sheep will be compensated at a rate of 50% of confirmed depredations.
- Injured cattle and sheep may also be compensated at the discretion of the Council.
- If livestock other than cattle or sheep are depredated by wolves, compensation will be determined at the discretion of the Council, based on the timing of the depredation event and class of livestock that was depredated. The request for compensation must be accompanied by the same information that is required for cattle and sheep depredations and sent to the Mexican Wolf/Livestock Council at the above address.

- If pets are depredated by wolves, compensation will be determined at the discretion of the Council and based on the claim and estimated value of the animal. The request for compensation must be accompanied by the same information that is required for cattle and sheep depredations and sent to the Mexican Wolf/Livestock Council at the above address.

**Other available programs:**

- Mexican Wolf/Livestock Council. The Council also provides Payments for Presence of Mexican wolves in the area of livestock operations in recognition of the economic consequences to livestock producers beyond immediate depredation losses. Livestock producers will need to fill out an application form that is provided on the Council's website (<http://www.coexistencecouncil.org/>) and submit the completed application form to the Council for review and processing. The Council will review all applications received for the year, apply the formula, and direct disbursement of funds from the Trust Fund to the livestock producer. Livestock producers who graze livestock within the occupied range of the Mexican wolf and who are affected by Mexican wolves are eligible to apply for funding. Applications to the Council are due by June 1 of each year. The Pay for Presence funds will be disbursed based on information from the previous calendar year.
- Defenders of Wildlife Compensation Program. Compensation payments for cattle mortalities ended September 11, 2010. Funds for proactive (i.e., preventative) projects are still available to livestock producers. Contact Craig Miller at 520-623-9653 x101.
- Mexican Wolf Fund. Private funds/grants are available for proactive projects. This program funds proactive measures, but does not compensate for livestock losses related to Mexican wolf. Contact Patrick Valentino <http://mexicanwolfconservationfund.org>