

USDA Announces Payments for 2020 Reimbursement Transportation Cost Payment Program

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Program Helps Offset Cost for Farmers and Ranchers Outside the Contiguous U.S.

Palmer, Alaska, May 27, 2021 – The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) today announced that fiscal year 2020 payments for the Reimbursement Transportation Cost Payment Program (RTCP) will begin on May 28, 2020. The RTCP will help eligible farmers and ranchers outside the contiguous U.S., including those in Alaska, offset a portion of the cost of transporting agricultural products over long distances.

The Consolidated Appropriations Act of 2019 reauthorized RTCP and allows farmers and ranchers in Alaska, Hawaii and insular areas including the Commonwealth of Puerto Rico, Guam, American Samoa, Commonwealth of Northern Mariana Islands, Virgin Islands of the United States, Federated States of Micronesia, Republic of the Marshall Islands and Republic of Palau, to recover any costs to transport agricultural commodities or inputs used to produce an agricultural commodity.

"This program helps offset the cost of transporting agriculture products for U.S. farmers and ranchers who are at a competitive disadvantage due to their location," said Donna Kramer, Acting State Executive Director. Signup for the 2020 program year increased by 28 applicants compared to the 2019 program year. Signup for the 2021 program will be announced in early summer.

RTCP payments are calculated based on the costs incurred for transportation of the agricultural commodity or inputs during a fiscal year, subject to an \$8,000 per producer cap per fiscal year. Total 2020 claims exceeded available funding; therefore, payments to recipients will be reduced by a National payment factor of 0.8 percent.

Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Because of the pandemic, some <u>USDA Service Centers</u> are open to limited visitors. Contact your Service Center to set up an in-person or phone appointment. Additionally, more information related to USDA's response and relief for producers can be found at farmers.gov/coronavirus.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

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