

USDA Provides \$3 Million to Geographically Disadvantaged Producers for Transportation Costs

News Release | Hawaii and Pacific Islands | May 22, 2023

[View PDF](#)

Offsets Long-Distance Transportation Costs for Farmers and Ranchers Outside the Contiguous U.S.

HONOLULU, Hawaii, May 22, 2023 – The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) today announced nearly \$3 million will be issued to almost 1,100 producers through the 2022 Reimbursement Transportation Cost Payment (RTCP) program beginning on May 22, 2023. The RTCP reimburses eligible farmers and ranchers outside the contiguous U.S., including those in Hawaii and the Pacific, for a portion of the cost of transporting agricultural products or inputs used to produce an agricultural commodity over long distances.

“This program ensures inclusivity and builds equity for diverse communities of U.S. farmers and ranchers who are at a competitive disadvantage due to their location by offsetting the increased cost of transporting valuable agricultural products and inputs to remote locations,” said Joy Kono, State Executive Director for FSA in Hawaii. “Over 500 producers in Hawaii and the Pacific will receive nearly \$1.4 million to help mitigate the increased transportation costs.”

The Consolidated Appropriations Act of 2022 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 costs to transport agricultural commodities or inputs used to produce an agricultural commodity.

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. Claims for fiscal year 2022 exceeded available funding; therefore, payments to recipients will be reduced by a payment factor of 0.93.

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.

Farm Service Agency:

1400 Independence Ave.
SW Washington, DC 20250

Contact:

FPAC Press Desk
FPAC.BC.Press@usda.gov