

Reimbursement Transportation Cost Payment Program for Geographically Disadvantaged Farmers and Ranchers (RTCP)

Overview

The “Food, Conservation, and Energy Act of 2008” authorized the Reimbursement Transportation Cost Payment Program for Geographically Disadvantaged Farmers and Ranchers (RTCP) to provide assistance to geographically disadvantaged farmers and ranchers. The program reimburses producers for a portion of the transportation cost of their agricultural commodity, or transporting inputs used to produce an agricultural commodity during a fiscal year. RTCP is subject to appropriated funding.

Eligible Producers

Producers eligible for the Reimbursement Transportation Cost Payment Program (RTCP) include geographically disadvantaged farmers and ranchers in Hawaii and Alaska, or an insular area, who transported an agricultural commodity, or inputs used to produce an agricultural commodity during a fiscal year. This includes farmers and ranchers from the following areas:

- Hawaii
- Alaska
- Commonwealth of Puerto Rico
- Guam
- American Samoa
- Commonwealth of the Northern Mariana Islands
- Federated States of Micronesia
- Republic of the Marshall Islands
- Republic of Palau
- Virgin Island of the United

States.

Eligible Commodities

Any agricultural commodity (including horticulture, aquaculture, and floriculture) food, feed, fiber, livestock (including elk, reindeer, bison, horses, and deer), insects or products thereof, are eligible for the RTCP for geographically disadvantaged farmers and ranchers.

Eligibility Requirements

To be eligible for RTCP program benefits, producers must:

- be a geographically disadvantaged farmer or rancher producing and marketing, including the transportation of an agricultural commodity in an approved area
- submit an application during the specified period applicable for each fiscal year
- provide proof of the amount of costs incurred for the transportation of the agricultural commodity or input
- comply with conservation and wetland protection requirements on all their land
- have an average non-farm income that does not exceed \$500,000
- be a citizen of or a legal resident alien of the United States in accordance with 7 CFR Part 1400 for foreign persons.

Payment Calculation

RTCP will be:

- calculated based on the amount of costs incurred by the producer for transportation of the agricultural commodity

or inputs during a fiscal year and multiplied by applicable percentage of allowance (COLAs) for the applicable fiscal year in the applicable area.

- Example - Producer A incurred transportation costs in Hawaii for fiscal year 2010 totaling \$15,000. The fiscal year 2010 percentage of allowance in Hawaii is 25 percent. $\$15,000 \times 25 \text{ percent} = \$3,750$. Producer A would receive direct reimbursement in the amount of \$3,750.
- subject to an \$8,000 per producer cap per fiscal year
- a payment factor may be applied to RTCP benefits if the funding availability is exceeded in a fiscal year. The 2010 Agriculture Appropriations Bill authorized \$2.6 million for fiscal year 2010.

Transportation Rates

Types of transportation rates used to determine reimbursable amounts are as follows:

- Actual – based on the actual costs incurred by the applicant and must be determined, in all cases, from verifiable records. No other type of transportation rate is permitted under this option for the same request.
- Fixed – established by FSA State Committee (STC) with Deputy Administrator for Farm Programs (DAFP) concurrence and reflect transportation rates applicable to certain agricultural commodities or inputs used to produce

- the agricultural commodity.
- Set – established by the STC with DAFP concurrence and reflect a percent of the total cost used to reflect the transportation cost incurred. This rate will only be used if the input does not have a fixed rates established or a breakdown of the transportation costs cannot occur.

Those applicants who certified their costs, and either a fixed or set transportation rate is used to determine the reimbursable amounts, are subject to a compliance spot check to provide verifiable proof that the transportation of the agricultural commodity or inputs occurred for the applicable fiscal year.

Sign-up Period

Sign-up for fiscal year 2010 will begin on Aug. 2, 2010 and end on Sept. 10, 2010. Since RTCP benefits are based on transportation costs incurred during a fiscal year, producers will have until Nov. 1, 2010, to provide supporting documentation of their actual transportation costs to replace any certified amounts for fiscal year 2010.

Where to File the Application

Applicants shall file an application for benefits at their local FSA Service Center that maintains the farm records for their business.

Applicants located in the insular areas of the Pacific Basin shall file an application for benefits directly with the Hawaii State and Pacific Basin Office. Applications and other documents required for RTCP program participation may be obtained by calling toll free 1-866-794-1079. Applicants in the

insular areas of the Pacific Basin may submit completed program documents during the announced signup period to the following address:

Hawaii State and Pacific Basin
Office, 737 Bishop Street, Suite
2340, Honolulu, HI 96813

More Information

For more information about FSA programs, contact your local FSA office or USDA Service Center, or visit the World Wide Web at www.fsa.usda.gov

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of Discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Ave. SW, Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.