



### Administrative Offset Debt Owed to Federal Agencies

Under law, delinquent debt owed to Federal agencies must be offset against any payments due from the Federal Government. The Debt Collection Improvement Act of 1996 (DCIA), effective April 26, 1996, was passed to increase collections of Federal non-tax debt.

The Farm Service Agency (FSA) is required to collect payments that otherwise would be made to producers/borrowers who owe Commodity Credit Corporation (CCC), or delinquent direct farm loan program debt, unless the borrower can present an acceptable plan to resolve the delinquency. FSA is also required to offset payments to guaranteed farm loan program debtors who received loans after July 20, 2001, if a final loss claim has been paid on a loan. Payments subject to offset are issued by the United States and include:

- Program payments;
- Tax refunds;
- Federal salary offset, including military pay;
- Federal retirement pay, including military retirement pay;
- Contract or vendor payments;
- Social Security, including Social Security Disability;
- Railroad retirement, other than tier two payments; and
- Black lung.

FSA is committed to working with producers/borrowers to assist them in resolving any delinquency. Under certain circumstances direct farm loan program debt may be restructured, interest rates may be lowered and/or the debt may be written down. If the borrower has accepted a written offer from FSA to restructure the account, payments will not be offset. If the borrower presents an acceptable written plan that can be approved by FSA and will resolve the delinquency, the offset can be lifted. Guaranteed debtors can submit an offer directly to FSA to settle their Federal debt after a final loss claim has been paid.

All USDA payments due delinquent producers/borrowers will be offset unless a statutory provision bars that action.

### FOR MORE INFORMATION

For more information about FSA and its programs, visit your local FSA office or online at [www.fsa.usda.gov](http://www.fsa.usda.gov). To find your local FSA office, visit <http://offices.usda.gov>.

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*Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.*

*To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:*

- 1) *mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410;*
- 2) *fax: (202) 690-7442; or*
- 3) *email: [program.intake@usda.gov](mailto:program.intake@usda.gov).*

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