

Farm Service Agency Expands Payment Options

News Release | August 20, 2019

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WASHINGTON, D.C., August 20, 2019 - The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) is expanding its payment options to now accept debit cards and Automated Clearing House (ACH) debit. These paperless payment options enable FSA customers to pay farm loan payments, measurement service fees, farm program debt repayments and administrative service fees, as well as to purchase aerial maps.

"Our customers have spoken, and we've listened," said Bill Northey, USDA's Under Secretary for Farm Production and Conservation. "Finding ways to improve customer service and efficiency is important for our farmers, ranchers, producers, and forest landowners who work hard for our nation every day. Now, our customers can make electronic payments instantly by stopping in our offices or calling over the phone."

Previously, only cash, check, money orders and wires were accepted. By using debit cards and ACH debit, transactions are securely processed from the customer's financial institution through Pay.gov, the U.S. Treasury's online payment hub.

While traditional collection methods like cash and paper checks will continue, offering the new alternatives will improve effectiveness and convenience to customers while being more cost effective. In 2017, the average cost to manually process checks, a process that included navigating multiple systems, cost USDA more than \$4.6 million. The expanded payment options will cut the time employees take processing payments by 75 percent.

"At USDA, we're focused on modernization to improve customer service," said Northey. "If half of our customers use these new payment options, we'll see a \$1 million savings in one year. These new payment methods are one part of a much larger effort to expand options for our customers, as well as to make our services more effective and efficient."

Today's announcement marks the beginning of a multi-phased roll-out of new payment options for USDA customers. Ultimately, payment option flexibility will be extended to allow farmers and producers to use debit cards and ACH debit payments to make payments for all FSA programs, including farm storage facility loan repayments, farm loan facility fees, marketing assistance loan repayments, Dairy Margin Coverage (DMC) administrative fees and premiums and Noninsured Crop

Disaster Assistance Program (NAP) fees.

To learn more, contact your <u>FSA county office</u>, visit <u>farmers.gov</u>, or download the "Make Your FSA Payments Instantly" fact sheet.

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