

Sonny Perdue, Secretary
United States Department of Agriculture
Office of Budget and Program Analysis
Jamie L. Whitten Building
Room 101-A
1400 Independence Ave. SW
Washington, DC 20250

September 14, 2017

Identifying Regulatory Reform Initiatives

Dear Secretary Perdue:

National Farmers Union (NFU) appreciates the opportunity to present the Office of the Secretary with comments in response to its request for information, "Identifying Regulatory Reform Initiatives" published at 82 Fed. Reg. 32,649 (July 17, 2017). NFU has nearly 200,000 family farmer, rancher, and fishermen members nationwide and organized divisions in 33 states. We have supported family agriculture and rural communities since 1902: "the family farm is the keystone of a free, progressive, democratic national society, as well as a strong America, and is the basis of a safe, secure and stable food system."¹

NFU values the Farm Service Agency's (FSA) commitment to its mission, serving our nation's farmers and ranchers professionally, efficiently, equitably, and in a manner that is customer, taxpayer, and employee-friendly. We are a grassroots organization, and our policy positions are directed by an annually recurring, vigorously democratic parliamentary process. Our policy supports FSA in its mission, calling for a "consistent, sufficient funding mechanism ensuring loan funding allocations are available to all approved FSA loans in a timely fashion," "streamlining and digitizing loan programs and/or appeals processes," and "increasing consistency and education on the county and state appeals process and FSA servicing responsibilities to the borrower."² We laud FSA for requesting information pursuant to providing better customer service and removing unintended barriers to participation in FSA programs and anticipate participating in each cut-off period. We hope to be valued partners as FSA attempts to reduce unnecessary paperwork and streamline processes, ultimately improving the experience of farmer borrowers and improving FSA's ability to keep America's agriculture growing.

¹ Policy of the National Farmers Union, <https://nfu.org/2017-policy/>.

² *Id.*

In this first comment period, NFU requests that the customer service and training materials FSA uses with county offices be made publicly available. Through our work with family farmers, we have learned that certain factors which distinguish working with FSA from other lenders are not getting across to prospective borrowers as uniformly as NFU and FSA would hope. For example, some NFU members who applied for, or considered applying for, FSA loans did not know:

- FSA is obligated to make loans to qualifying applicants if sufficient funds are available;
- staff in county offices are required to help customers in need of assistance with application forms; or
- how to report a negative customer service experience.

These unique characteristics are important for FSA customers to know; they could impact a family farmer's decision on whether or how to approach FSA about any of its programs. The FSA handbooks now available online,³ while very helpful in illuminating critical processes like loan making and servicing, do not explain how FSA staff communicate with customers around the Agency's programs. In order to provide FSA with useful advice on these topics, we would like to review the customer service and training materials used in county and state offices. We anticipate making informed recommendations, such as combining production and financial history forms for more streamlined application and processing experiences, but have determined that more information on the Agency's training and customer service protocols will enhance our responses to this request for information.

NFU also urges FSA to make services available online. Posting interactive, diagnostic questionnaires to help prospective applicants determine basic eligibility, or some portion of the application process, would reduce frustrating, unnecessary trips to county offices. Prospective customers could also use such resources to arrive better prepared at initial meetings. These efforts would reduce paperwork by preventing applications that will clearly be unsuccessful. Again, the regulations, guidance and handbooks that are currently available for public review are not as useful as customer service and training materials may be in the dialogue NFU would like to establish with FSA in pursuit of improving service to farmers and ranchers.


If the customer service and training materials could be made readily available to the public, NFU would review these materials and consult with FSA customers in our network to ensure key aspects of customer service are accurately executed. We would consider asking FSA to issue guidance to state and county offices to remind employees of certain actions they should take to make interactions with

³ <https://www.fsa.usda.gov/FSA/webapp?area=home&subject=empl&topic=hbk>

customers more efficient, much as Notice FLP-765 reminded employees “to prioritize their efforts to focus on processing new loan requests and servicing distressed loan accounts.”⁴

Thank you for your consideration of these comments. We look forward to your response. NFU will continue to work on additional comments to be submitted in subsequent cut-off periods and would be pleased to converse with FSA on improving services through any other venue in the meantime.

Sincerely,



Roger Johnson
President

⁴ “Guidance on Direct and Guaranteed Loan Making and Servicing Actions” 16 June 2017.
https://www.fsa.usda.gov/Internet/FSA_Notice/flp_765.pdf