



For More Information:

Erin Birmingham | Marketing & Communications Manager
800.AGA.7211, ext. 308 | ebirmingham@agacgfm.org

**For Immediate Release
September 23, 2021**

Federal and State Agencies Embrace Digital Payments

AGA Research Highlights the Continued Focus on Expanding Financial Access for All

Washington D.C. — A newly released Association of Government Accountants (AGA) study, “[Embracing the Future of Government Payments — Federal and State Agencies Continue to Reduce Paper Checks](#),” highlights the accomplishments by governments to ensure safe, fast, secure, and convenient delivery of urgently-needed payments to their constituents. These funds support critical needs of the public, including health care, unemployment insurance, education, support for children and the elderly, housing, food supplies, transportation, and more.

“We appreciate the participation and open dialogue from the senior state and federal representatives contacted throughout this survey process to inform our research,” said Ann Ebberts, AGA CEO. “We are proud to report that tremendous progress has been made and governments are better positioned than ever to efficiently get much-needed funds into the hands of citizens, especially those that are unbanked or underbanked. However, opportunities still exist to leverage today’s innovative technologies as well as increase the use of prepaid cards.”

“This important AGA research shines a spotlight on the tremendous success by governments in improving their constituents’ experience when receiving critical payments,” said Adama Iwu, Vice President, North America Government Solutions at Visa, sponsor of the research. “Most imperative is the commitment to change lives by expanding financial access to ALL people through the increased use of modern technologies that support the delivery of digital payments.”

The study builds upon 2013 AGA research, entitled “[Government Prepaid Cards Lower Costs and Improve Access](#),” which examined the use of prepaid debit cards for certain government payments. In 2021, AGA explored current government-to-constituent payments at the federal and state levels to find that, while paper checks are still being used, digital payment methods like prepaid cards and direct deposit disbursements have seen increasing adoption.

Key takeaways of the report include:

- Government agencies and recipients of government funds continue to derive enormous benefits from the use of digital payments, including the widespread use of government-sponsored prepaid cards targeted to the unbanked and underbanked and in support of certain benefit programs.
- Government agencies continue to look for ways to reduce reliance on paper checks for government disbursements, even those that are almost exclusively digital.
- Digital payments benefit government agencies and their constituents with cost savings, better service, more secure payments, stronger internal controls, and ease of use and increased capability to engage in e-commerce for recipients.

Federal and state government officials who were interviewed expressed optimism for the future and pride in their accomplishments to date. Study participants generally characterized challenges in making and expanding digital payments as opportunities, with all interviewees expressing unequivocal support for digital payments over paper checks. Interviewees also expressed a desire to improve performance and further reduce check payments through technology modernization.

About AGA

AGA is *the* member organization for government financial management professionals. We lead and encourage change that benefits our field and all citizens. Our networking events, professional certification, publications, and ongoing education help members build their skills and advance their careers. For more information, visit www.agacgfm.org/.

About VISA

Visa Inc. (NYSE: V) is the world's leader in digital payments. Our mission is to connect the world through the most innovative, reliable and secure payment network - enabling individuals, businesses and economies to thrive. Our advanced global processing network, VisaNet, provides secure and reliable payments around the world, and is capable of handling more than 65,000 transaction messages a second. The company's relentless focus on innovation is a catalyst for the rapid growth of digital commerce on any device for everyone, everywhere. As the world moves from analog to digital, Visa is applying our brand, products, people, network and scale to reshape the future of commerce. For more information, visit [About Visa](#), visa.com/blog and [@VisaNews](#).

###