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Consumers for Paper Options to Treasury: Time to Formally Retract March 1 Mandate for Direct Deposit of Social Security Benefits

Treasury Has Backed Away from Discriminatory – Yet Still Official – Policy; Must Formally Commit to Maintaining Traditional Checks

WASHINGTON, D.C. (Jan. 24, 2013) – <u>Consumers for Paper Options</u>, a coalition of individuals and organizations advocating for the right to paper-based communications, today asked the U.S. Treasury to formally lift the pending mandate that all federal benefits be received electronically. With millions of seniors, veterans and other federal beneficiaries still receiving traditional checks, Treasury officials have quietly indicated that they no longer plan to force the switch to direct deposit. However, the widely publicized direct deposit mandate – set to take effect on March 1, 2013 – still officially remains in place.

"While more than five million seniors, veterans and disabled Americans have made it clear that they prefer traditional benefits checks, the U.S. Treasury is still not being clear with them," said John Runyan, executive director of Consumers for Paper Options. "With less than a month to go before the widely publicized deadline, beneficiaries need straight talk – not scattered news reports. It's time for the Treasury to change course and officially adopt a policy allowing the permanent option to receive traditional checks."

Runyan continued, "The Treasury is trying to implement a one-size-fits-all mandate, and our most vulnerable citizens are clearly not ready. One in 12 American households is completely unbanked, and that percentage is even higher among elderly and disabled Americans. Meanwhile, cyberfraud is on the rise for seniors who already have their benefits direct deposited or are just making the switch, with 50 new victims each day. America isn't prepared for this, and neither is the U.S. Treasury."

In September, Consumers for Paper Options submitted a statement with the House Committee on Ways and Means Subcommittee on Social Security, citing several issues with the new policy, including discriminatory fees associated with the Direct Express debit card alternative. To access the full statement, visit: http://www.paperoptions.org/links/CPO Social Security%20Statement.pdf.

About Consumers for Paper Options

Consumers for Paper Options is a new coalition of individuals and organizations who believe paper-based communications are critically important for millions of Americans, especially seniors and the 30 percent of Americans without Internet access. While regulated entities and governments at every level need to streamline services, cut costs and improve efficiencies, preserving paper-based options for information and essential services for those who need or want them should remain a crucial priority. The goal of Consumers for Paper Options is to preserve access to information in a way that neither hinders the natural evolution of technology nor discriminates against those who may not, or cannot, use it. For more information, visit www.paperoptions.org.