

Office of Personnel Management
Retirement and Insurance Group



1920



1954



1959



1986

Benefits Administration Letter

Number: 96-114

Date: December 26, 1996

SUBJECT: Revision of Standard Form (SF) 3107, Application for Immediate Retirement, Federal Employees Retirement System

Standard Form 3107 has been revised. The revised version of the form, dated November 1995, is currently available and replaces the previous edition of the form dated March 1988. Continue to use copies of the previous edition until you receive the November 1995 version.

The new version of the FERS Application for Immediate Retirement provides a section to establish payment of annuities by direct deposit through Electronic Funds Transfer (EFT) and a section to elect Federal Income Tax withholding. As a result of Public Law 104-134, passed after the publication of the new form, everyone who becomes eligible for Federal payments on or after July 26, 1996, must be paid by direct deposit. If the applicant does not have a checking or savings account, the attached EFT Information/Certification letter must be completed certifying that they do not have a bank account and that payment should be sent by check. The form should be attached to their SF 3107. Payees whose permanent addresses for receiving payments are outside the United States cannot now be paid by direct deposit. No certification is required for these individuals. (Please refer to Benefits Administration Letter 96-104, dated July 26, 1996, for more information regarding direct deposit requirements.) The SF 3107 is currently being revised to include this new EFT information.

In addition, several items have been added to the agency checklist which specifies documents which must be attached to the retirement application. The inclusion of these documents will save time in the processing of the application.

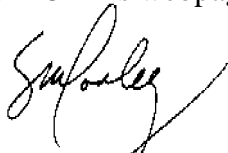
A major change in the revision of the 3107 is the elimination of most program information from the form itself. This program information has been enhanced and incorporated into a pamphlet which should be given to all individuals applying for FERS immediate retirement benefits, along with the application form. This pamphlet is called "Applying for Immediate Retirement Under the Federal Employees Retirement System" (RI 92-28). It provides applicants with general information that should be helpful when they apply for immediate retirement benefits, including eligibility requirements, requirements for continuing health benefits and life insurance coverage

into retirement, procedures for applying for benefits, payment information and information about survivor benefits.

The Application for Immediate Retirement (Federal Employees Retirement System) (SF 3107) can be ordered from the GSA Federal Supply Service using the normal FEDSTRIP/MILSTRIP procedures. Ordering information is provided below.

| <u>Form No.</u> | <u>Title of Form</u> | <u>National Stock No.</u> | <u>Estimated Cost</u> |
|-----------------|--|---------------------------|-----------------------|
| SF 3107 | Application for Immediate Retirement- Federal Employees Retirement System | 7540-01-255-3670 | Not Available |

The pamphlet entitled Applying for Immediate Retirement Under the Federal Employees Retirement System (RI 92-28) can be ordered from an upcoming OPM printing rider. It can also be downloaded from OPM Mainstreet or accessed from OPM's webpage at www.opm.gov.



Sidney M. Conley
Assistant Director
Office of Retirement Programs

Attachment

Attachment

EFT INFORMATION/CERTIFICATION LETTER - FEDERAL PAYMENT APPLICANTS

Office of Personnel Management
Retirement and Insurance Group

Dear Applicant:

Public Law 104-134 requires all Federal payments, for which the first date of eligibility for payment is on or after July 26, 1996, to be paid by Direct Deposit through Electronic Funds Transfer (EFT) into a savings or checking account at a financial institution. The only legal exception is if you do not have a savings or checking account in any financial institution and do not establish one or have one established for you by an authorized payment agent. If you do not already have an account, and do not establish one or have one established for you, you must certify to that fact in writing. Part B on the reverse of this letter may be used for this purpose.

This same law will require all Federal payments after January 1, 1999, to be made by Direct Deposit. By signing up now, you avoid having to be contacted later to arrange for Direct Deposit. More than two-thirds of Federal retirees have Direct Deposit. They gave it a 97% approval rating in a recent survey. That's because Direct Deposit is a win-win situation all around. You avoid the bother of traveling to a bank or other financial institution to cash or deposit your check. You save travel costs and time. Both you and OPM are saved the worry that the check will be lost in the mail. Finally, you and all your fellow taxpayers save the difference in cost between Direct Deposit and payment by check (\$.33 per payment x 2.35 million Federal annuitants equals \$775,500 in savings every month).

Please complete the EFT information/certification on the reverse of this letter, and submit it with your application package. You can also elect Direct Deposit via Standard Form 1199A, Direct Deposit Sign-Up Form, which you can obtain from your financial institution. Failure to provide this information with your application may result in a delay in payment.

Thank you.

Office of Retirement Programs

{REPRODUCE LOCALLY}

Attachment, reverse

Applicant's Name _____

Social Security # _____

Date of Birth _____

EFT INFORMATION

To have your Federal payment(s) made by Direct Deposit, please complete Section A. You may also receive Direct Deposit by completing a Standard Form 1199A (available at most financial institutions). If you do not have a checking or savings account into which your payment can be deposited, please complete the certification in Section B.

Section A

Please deposit my Federal payment(s) through Electronic Funds Transfer directly into the account indicated below. I have checked with my financial institution and confirmed that the following information is correct.

Checking or Savings Account Number

Account Type

Checking Savings

Financial Institution Routing Number

Name, Address and Telephone Number of your financial institution.

Call your financial institution for the routing number. We cannot pay by Direct Deposit without it. If your financial institution indicates the information on your personal check is correct for Direct Deposit, you may attach a voided check instead of entering the information here.

() _____

Signature

Date

Section B

I hereby certify that I do not have a savings or checking account in any financial institution and that none has been established for me by an authorized payment agent. Please send me my payment(s) by check.

Signature

Date
