

ELECTRONIC FUNDS TRANSFER (EFT)

1. PURPOSE

This Directive establishes Marketing and Regulatory Programs (MRP) policy on granting Electronic Funds Transfer (EFT) waivers to MRP employees.

2. AUTHORITIES

- a. 31 United States Code, Section 3332.
- b. Debt Collection Improvement Act of 1996, Section 31001 (x).
- c. Title 31, Code of Federal Regulations (CFR), Part 208.

3. REPLACEMENT HIGHLIGHTS

This Directive replaces AMS Directive 351.1, Direct Deposit/Electronic Funds Transfer of Salary Checks, dated 9/15/92.

4. BACKGROUND

The above regulations required the use of electronic funds transfers (EFT) for most Federal payments starting January 2, 1999. The regulations also established the circumstances under which waivers could be granted; set forth the requirements for accounts to which Federal payments may be sent to EFT; and provided that any individual who received a Federal benefit, wage, salary, or retirement payment could open a low-cost Treasury designated account (called Electronic Transfer Account [ETA]) at a financial institution that offers such accounts.

5. POLICY

It is MRP policy that employees will receive Federal benefit, wage, salary, (including awards) or retirement payments through EFT unless a written waiver has been submitted or when the Agency head determines that one of the following conditions exists:

- a. The political, financial, or communications infrastructure does not support payment by EFT in a foreign country;

- b. The payment is to a recipient within an area designated by the President or an authorized agency administrator as a disaster area;
- c. Paying by EFT would jeopardize military or law enforcement operations or national security interests;
- d. The Agency=s need for goods and services is of such unusual and compelling urgency that the Government would be seriously impaired unless payment is made by a method other than EFT; or
- e. There is only one source for goods or services and the Government would be seriously impaired unless payment is made by a method other than EFT; or
- f. The cost of using EFT for a non-recurring payment is greater than the cost of making that payment by check. (Non-recurring means not more than one payment in a 12-month period to a particular recipient.)

6. OPERATING GUIDELINES

- a. An employee may obtain a waiver by self-certifying in writing that payments should not be made by EFT because it would impose a hardship due to a physical or mental disability, a geographic barrier, a language barrier, or a literacy barrier; because of nonexistence of an account with a financial institution; or because it would impose a financial hardship. Waivers must be in writing and include the employee=s name, address, social security number, signature, and date.
- b. Waivers should be submitted to the MRP Business Services (MRPBS), Human Resources Operations (HRO), Minneapolis, MN.
- c. The Agency may not require evidence of any condition underlying an employee=s election to utilize a waiver.
- d. Employees who wishes to have their payments made by EFT using Direct Deposit should complete an SF-1199A, Direct Deposit Sign-up Form, by using the Employee Express program on the Internet (Internet address: www.employeeexpress.gov), or mailing the completed form to MRPBS-HRO, Minneapolis, MN.
- e. Employees who do not have established accounts but wish to receive payments by EFT will, in the future, be able to open a low-cost Electronic Transfer Account. These accounts, to be offered by any Federally insured financial institution, will provide employees with access to accounts at a reasonable cost and with consumer protections comparable to other accounts at the same financial institution. Information on these accounts will be provided once they become available.

7. INQUIRIES

General inquiries on procedural matters should be directed to the servicing personnel office. Requests for policy interpretations for complex issues should be referred to the Pay, Leave and Tours of Duty Specialist, Employment and Classification Policy Branch, MRP Human Resources (MRPHR).

This Directive is available on the MRPHR home page at

<http://www.aphis.usda.gov/mrpbs/hr/index.shtml>

the Information Technology electronic library home page at

www.aphis.usda.gov/its/library

and on the AMS Administrative Issuances home page at www.ams.usda.gov/issuances

/s/

Deputy Administrator

MRP Business Services