



***Retirement and Insurance Service
Benefits Administration Letter***

Number: 99- 106

Date: July 9, 1999

Subject: EFT Letters

Background

Benefits Administration Letters (BAL's) 96-104 and 97-102 provided EFT Letters and Election/Certification forms to be distributed to annuity applicants not already signed up for EFT with permanent payment addresses in the United States and Canada. Those letters were based upon interim regulations which anticipated requiring all Federal payments after January 1, 1999, to be made by Electronic Funds Transfer (EFT). Those same interim regulations required annuitants to certify they did not have an account at a financial institution in order to be paid by check if first eligible for payment on or after July 26, 1996.

Final Regulations

Treasury's final regulations significantly modified EFT requirements as they had been established under the interim regulations. As of September 25, 1998, the requirement to certify to not having an account with a financial institution was eliminated. Also, annuitants now have sole discretion to decide whether they qualify for a hardship waiver to the requirement they be paid by EFT.

Purpose

This is to remind agencies that EFT information should still be distributed to each new retirement or survivor annuity applicant, whose permanent payment address is in the United States or Canada, who is not already signed up to receive his or her annuity payment by EFT.

New Letters

The original EFT letter (distributed in BAL 96-104) has been turned into a form, RI 38-128 (Attachment 1). The latest version of RI 38-128 (January 1999) should now be distributed to annuity applicants not already signed up for EFT whose permanent addresses for receiving payments are in the United States, in place of the original EFT letter. Attachment 2 provides updated language for the letter (distributed in BAL 97-102) to individuals who receive their annuity payments in Canada. RI 16-26, Direct Deposit Sign-Up (Canada), and the supplemental forms RI 26A and RI 16-26B, are unchanged from the versions enclosed with BAL 97-102, and should continue to be included as Attachments to the letter in Attachment 2 of this BAL.

Other Countries

Annuity applicants whose permanent payment addresses are outside the United States and Canada still should not receive either letter. At this time, residents of other countries may only be paid by EFT if they establish a permanent payment address in the United States or Canada.



Sidney M. Conley
Assistant Director
for Retirement Programs

Attachments

U.S. Office of Personnel Management
Retirement Operations Center
Post Office Box 440
Boyers, PA 16017-0440

Date:

It's Time to Sign Up for Direct Deposit

Public Law 104-134 requires that most Federal payments be paid by Direct Deposit. More than 85% of Federal retirees and survivors receive their payments by Direct Deposit. We recommend that you participate too.

We can make payment by Direct Deposit into your account in a bank, credit union, savings bank, or thrift institution. Many financial institutions offer basic, low-cost accounts, as well as full-service accounts. Direct Deposit is safe, reliable, and convenient for you. You do not have to take care of a paper check (which could be delayed in the mail, lost, or stolen).

However, if receiving your payment electronically would cause you a hardship because you have a disability or because of a geographic, language or literacy barrier, you may receive your payment by check. In addition, if enrolling in Direct Deposit would cause you a financial hardship because it would cost you more than receiving your payment by check, you may receive your payment by check.

For more information about Direct Deposit, call us on 1-888-767-6738. If you are calling from a local Washington, DC, area telephone, dial 202-606-0500. It is easy to sign up. You can call us toll-free using the numbers shown above.

If you do not want to call us to enroll, you can fill this form out and FAX it to 724-794-6633. Or, you can mail this form to our Boyers, Pennsylvania, address at the top of this page.

Office of Retirement Programs

Enclosure: Return Envelope

Public Burden Statement

We think this form takes an average of 30 minutes to complete, including the time for reviewing instructions, getting the needed data, and reviewing the completed form. Send comments regarding our estimate or any other aspect of this form, including suggestions for reducing completion time, to the Office of Personnel Management, OPM Reports and Forms Manager, Washington, DC 20415-0001. The OMB Number 3206-0226 is valid. OPM may not collect this information, and you are not required to respond, unless this number is displayed.

Prior versions of this form are not usable.

RI 38-128
Revised January 1999

