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NEWS RELEASE

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For Immediate Release

Treasury Extends Comment Period for 31 CFR Part 210 Rule on Prepaid Debit Cards

To allow additional time for more public comment, the U.S. Department of the Treasury is extending the comment period for 31 CFR 210 by 60 days to April 25, 2011. In addition, Treasury plans to address the effective date of the rule in light of the public comments.

On Dec. 22, 2010, Treasury issued an interim final rule to permit the delivery of Federal payments to prepaid debit cards that meet certain criteria (75 FR 80335, 31 CFR Part 210). The effective date of the interim rule is Jan. 21, 2011. In addition, although Treasury previously requested and received comment on the prepaid card proposal, Treasury issued the rule as an interim final rule in order to provide the public with an additional opportunity to comment.

This rule will provide Americans receiving federal payments with more options for receiving their payments electronically via prepaid debit cards while ensuring that appropriate consumer protections are provided. This rule supports Treasury's final rule published on the same day to extend the safety and convenience of electronic payments to all Americans receiving federal benefit and non-tax payments.

Treasury has received several comments regarding measures that financial institutions and others who provide prepaid debit cards must take to comply with the interim rule, particularly in relation to the effective date. Treasury encourages written comments for the record of the rulemaking to be filed promptly. After evaluating the public comments that are submitted, Treasury plans to issue an amended interim rule addressing the effective date of the rule.

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