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Contact: Beth Dozier, 202.429.1833, bethdozier@rational360.com

Consumers for Paper Options Applauds Senators for Fighting Discriminatory Payroll Card Fees

Advocacy Group also Calls on Lawmakers to Curb Other Govt. & Private Sector Efforts to Forcibly
Shift Americans to Digital Services & Information

WASHINGTON, D.C. – <u>Consumers for Paper Options</u>, a coalition of individuals and organizations advocating for access to paper-based services and information, today applauded a group of U.S. senators for taking action against payroll card fees. Sixteen senators sent a <u>letter</u> calling on the Consumer Financial Protection Bureau and Department of Labor to study prepaid "payroll cards," which some employers use in lieu of checks or direct deposits.

The senators are concerned not only about the fees that prepaid cards incur for employees, but are also concerned that employees are being pressured to accept payment in this format because it is cheaper for companies. Meanwhile, employees receiving wages on prepaid cards often face charges for ATM use, purchases, overdrafts, card replacement and even inactivity.

"While prepaid payroll cards may be cheaper for companies and financial institutions, American workers are the ones who pay the price," said John Runyan, executive director of Consumers for Paper Options. "It's time for government leaders to protect every worker from discriminatory fees by ensuring that they have options in how they are paid. Employees should not be pushed into electronic services that are discriminatory and expensive."

Runyan continued, "We applaud this group of senators for working to provide citizens with options to avoid discriminatory prepaid cards. We call on more lawmakers and government agencies to defend the right to paper-based services — many of which are currently being eradicated by both the public and private sectors."

Recent federal decisions to eliminate paper-based options for key services – such as Social Security checks, savings bonds and income tax forms – have rendered these services difficult or even impossible for millions of Americans to access while exposing them to rising fraud. At the same time, private companies and financial institutions often penalize customers for receiving documents and statements on paper.

According to a <u>national poll</u> commissioned by Consumers for Paper Options, an overwhelming majority of Americans oppose private sector and government efforts to eliminate paper-based information and services. A full 73 percent of American adults believe it is wrong to require taxpayers to interact with their government online, while 85 percent agree that government decisions to restrict paper-based services should be overseen by Congress. Turning to the private sector, 84 percent disagree with corporate efforts to force customers to receive documents in electronic format only.

Consumers for Paper Options supports H. Res. 97, a bipartisan resolution recently introduced by Reps. Sean Duffy (R-Wis.) and Mike Michaud (D-Maine). The resolution seeks to reverse federal initiatives to eliminate paper-based information and services.

About Consumers for Paper Options

Consumers for Paper Options is a 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.