

103^D CONGRESS
2^D SESSION

H. R. 4130

To require that all Federal recurring payments be paid by electronic funds transfer, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 1994

Mr. DARDEN (for himself, Mr. LIGHTFOOT, and Mr. HOYER) introduced the following bill; which was referred to the Committee on Government Operations

A BILL

To require that all Federal recurring payments be paid by electronic funds transfer, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. ELECTRONIC FUNDS TRANSFER.**

4 Section 3332 of title 31, United States Code, is
5 amended to read as follows:

6 **“§ 3332. Required and presumed direct deposit**

7 “(a) MANNER OF PAYMENTS.—

8 “(1) IN GENERAL.—Notwithstanding any other
9 provision of law and subject to subsection (b), all re-
10 curring Federal payments, including Federal wage,

1 salary, and retirement payments, shall be paid by
2 electronic funds transfer in accordance with regula-
3 tions prescribed by the Secretary of the Treasury.

4 “(2) DESIGNATION BY RECIPIENT OF PAYEE FI-
5 NANCIAL INSTITUTION.—Each recipient of any class
6 of recurring Federal payments, including Federal
7 wage, salary, or retirement payments, shall—

8 “(A) designate 1 or more financial institu-
9 tions to which any such payment shall be made;
10 and

11 “(B) provide the agency responsible for
12 certifying or authorizing such payment with
13 such information as may be necessary for the
14 recipient to receive electronic funds transfer
15 payments through the institutions so des-
16 igned.

17 “(3) AUTHORITY TO LIMIT NUMBER OF DES-
18 IGNATIONS.—The Secretary of the Treasury may
19 limit the number of financial institutions which an
20 individual may designate under paragraph (2)(A)
21 with respect to any payment to not fewer than 3 fi-
22 nancial institutions.

23 “(b) PRESUMPTION OF REQUEST TO RECEIVE PAY-
24 MENTS BY ELECTRONIC FUNDS TRANSFER.—The recipi-
25 ent of any class of recurring benefits payments shall be

1 presumed to have requested that any payment be made
2 by electronic funds transfer unless a waiver is requested
3 under subsection (c) by such recipient.

4 “(c) WAIVER OF REQUIREMENT.—

5 “(1) IN GENERAL.—The Secretary of the
6 Treasury may waive the requirements of subsection
7 (a) of this section for any group of recipients or
8 class of payments upon the written request of the
9 head of an agency under standards prescribed by the
10 Secretary of the Treasury.

11 “(2) DELEGATION AUTHORITY.—The Secretary
12 of the Treasury may delegate the authority to waive
13 the requirements of subsection (a) with respect to an
14 individual recipient, or a group of individual recipi-
15 ents, of any class of recurring Federal payments to
16 the head of the agency responsible for certifying or
17 authorizing such payments upon the written request
18 by such individual recipient or group of recipients.

19 “(3) ALTERNATIVE METHOD OF PAYMENT.—
20 Recurring Federal payments with respect to which a
21 waiver has been granted under paragraph (1) or (2)
22 shall be paid by any method determined to be appro-
23 priate by the Secretary of the Treasury.

24 “(d) TRANSFER TO DESIGNATED INSTITUTIONS
25 CONSTITUTES FULL PAYMENT.—The crediting of the

1 amount of a payment to the appropriate accounts on the
2 books of the financial institutions designated by the pay-
3 ment recipient under this section shall constitute a com-
4 plete payment to the United States for the amount of the
5 payment.

6 “(e) REGULATIONS.—

7 “(1) IN GENERAL.—Except as provided in para-
8 graphs (2) and (3), the Secretary of the Treasury
9 shall prescribe regulations for all agencies in carry-
10 ing out this section.

11 “(2) SENATE.—The Secretary of the Senate
12 shall prescribe regulations for the Senate in carrying
13 out this section.

14 “(3) HOUSE OF REPRESENTATIVES.—With the
15 approval of the Committee on House Administration
16 of the House of Representatives, the Director of
17 Nonlegislative and Financial Services of the House
18 of Representatives shall prescribe regulations for the
19 House in carrying out this section.”.

20 **SEC. 2. CLERICAL AMENDMENT.**

21 Chapter 33 of title 31, United States Code, is amend-
22 ed by striking the item relating to section 3332 and insert-
23 ing the following new item:

“3332. Required and presumed direct deposit.”.

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