

# United States Senate

WASHINGTON, DC 20510

June 24, 2020

The Honorable Steven T. Mnuchin  
U.S. Department of the Treasury  
1500 Pennsylvania Ave NW  
Washington, DC 20220

The Honorable Charles P. Rettig  
Internal Revenue Service  
1111 Constitution Avenue NW  
Washington, DC 20224

Dear Secretary Mnuchin and Commissioner Rettig:

We write to urge you to clarify outstanding questions about the Treasury Department's decision to distribute the direct cash assistance for individuals provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act through prepaid debit cards. We are concerned that this decision has imposed unnecessary burdens - including fees - on individuals who would have preferred to receive their stimulus payments by check, and that the process of activating these prepaid debit cards requires individuals to provide personal information that could be shared with third parties for marketing and other commercial purposes.

On May 18, 2020, the Treasury announced that 4 million Americans would receive their stimulus payments by prepaid debit card, instead of by paper check. However, Treasury's announcement did not indicate which Americans would receive their stimulus payments by debit card. Further, these debit cards were mailed to individuals in plain envelopes from "Money Network Cardholder Services." As a result, individuals who were not expecting prepaid debit cards from the Treasury mistook their stimulus payments for junk or scam mail. Although the Internal Revenue Service (IRS) recently announced that it would waive the \$7.50 replacement fee for an individual's first reissued card, replacement cards take seven to 10 business days to arrive. To receive a reissued card within four to seven business days, individuals must pay a \$17.00 fee. We are seriously concerned about imposing these fees on individuals who urgently need the direct cash assistance to which they are entitled under the CARES Act.

Further, many individuals who received their stimulus payments by prepaid debit card have bank accounts. For these individuals, receiving their stimulus payments by debit card, rather than by check, can make it more difficult to access this important cash assistance. Debit card recipients with limited computer or internet access who visit ATMs or banks in-person are restricted by daily limits on ATM withdrawals and bank transfers, potentially requiring multiple trips to fully access their stimulus payments. Moreover, the fee schedule for these debit cards includes a \$2.00 fee per out-of-network ATM withdrawal and \$5.00 per over-the-counter bank withdrawal. Individuals who are able to successfully transfer debit card funds to their bank accounts on EIPCard.com must navigate a complicated registration process and provide substantial personal information. These burdens are all the more concerning given that these individuals did not request a prepaid debit card and are unable to request a preferred method of receiving their stimulus payment with the IRS.

We are also concerned that the cardholder agreement for the stimulus payment debit cards allows our constituents' personal information to be shared with third parties for marketing and other commercial purposes. The prepaid debit cards are managed by Money Network Financial, LLC and issued by Treasury's financial agent, MetaBank, N.A. In order to activate or transfer stimulus payments off these cards, individuals must provide Money Network Financial with significant personally identifiable information. The cardholder agreement states that Money Network Financial "may disclose information to third parties about your Card account or the transactions you make" to "affiliates" and to "service providers." This ambiguous language raises serious questions about whether Money Network Financial is permitted to sell personal information of individuals who activated stimulus payment debit cards.

In order to respond to the concerns outlined above, please answer the following questions:

1. How did Treasury determine which individuals would receive their stimulus payments by prepaid debit card? In making this determination, did Treasury take into account how receiving stimulus payments by debit card rather than check would economically affect individuals with bank accounts?
2. How did Treasury set the fee schedule for stimulus payment debit cards, including the \$17.00 fee to receive a replacement card within four to seven business days? In setting the fee for out-of-network ATM withdrawal, did Treasury take into account the geographical reach of the debit card ATM network?
3. Does the cardholder agreement for stimulus payment debit cards permit Money Network Financial to provide individuals' personally identifiable information to third-party "affiliates" and to "service providers" for marketing or any other commercial purposes not necessary for the activation or use of the debit card? If so, is Money Network Financial required to disclose this information sharing, either publicly or to the Treasury?
4. How is Money Network Financial retaining and using the account information of individuals who provided personally identifiable information in order to activate their stimulus payment debit cards? Is the Treasury performing oversight on how Money Network Financial is retaining and using individuals' account information? What measures is Treasury requiring Money Network Financial to take to secure individuals' personally identifiable information?
5. Is Money Network Financial permitted to send individuals who activated their stimulus payment debit cards marketing or any other commercial correspondence? If so, are individuals required to opt-out of receiving this correspondence, and how is Money Network Financial informing individuals of the process by which they may opt-out?

Thank you for your attention to this important issue.

Sincerely,

Senator Margaret Wood Hassan

Senator Sherrod Brown

Senator Jack Reed

Senator Mark R. Warner

Senator Sheldon Whitehouse

Senator Angus S. King, Jr.

Senator Tammy Baldwin

Senator Elizabeth Warren

Senator Richard Blumenthal

Senator Mazie Hirono

Senator Edward J. Markey

Senator Chris Van Hollen

Senator Tina Smith

Senator Amy Klobuchar

Senator Jeanne Shaheen