



News Release

www.dew.sc.gov

For Immediate Release

July 15, 2010

South Carolina Unemployment Benefits Going Paperless

The SC Department of Employment and Workforce (SCDEW) announced that it will soon begin phasing in the elimination of paper checks for weekly unemployment payments. The agency, formerly known as the Employment Security Commission, will offer two electronic payment options for the jobless in South Carolina to receive benefits.

SCDEW will offer claimants a choice of receiving their benefits on a prepaid debit card or by direct deposit into their bank or credit union account. This follows a recent announcement by the jobs agency that it is partnering with the SC Business One-Stop (SCBOS), which includes the SC Department of Revenue and a number of other state agencies, to begin offering employers the option of reporting and paying their quarterly unemployment taxes by electronic funds transfer through the SCBOS web portal.

“These new methods of delivering unemployment benefits are part of a conscious effort to streamline our service delivery system in a more efficient and cost effective manner “, stated SCDEW Executive Director John L. Finan. “The use of debit cards and direct deposit offers a faster and more secure option for claimants and helps them avoid check cashing fees.”

SCDEW officials estimate that the debit card and direct deposit delivery options could also save the agency over \$4-million a year in the processing and mailing of checks to claimants.

The Department of Employment and Workforce, in cooperation with Bank of America Merrill Lynch and Visa, will provide the option of Visa prepaid debit cards to unemployed South Carolinians as they apply for unemployment insurance benefits. Once the claimant is determined to be eligible, the payment will be deposited directly to their debit card account. Available funds will be limited to the amount of their benefit payments and the card may be used in the same way as cash.

The SCDEW Prepaid Debit Card can be used to make purchases anywhere Visa debit cards are accepted. In addition to being able to get cash back from merchants with a purchase, claimants can get cash from ATMs and from tellers at banks accepting Visa cards. There is no fee to obtain a card but some fees may apply for certain transactions; claimants can avoid fees through careful use of the card, SCDEW officials



News Release

www.dew.sc.gov

(SCDEW Debit Cards-Pg.2)

said. A complete schedule of fees will be provided with the cards when they are mailed to claimants in three to five days after their eligibility has been certified.

Claimants may also choose to have their benefits deposited directly to a traditional bank account, an option that has been available in South Carolina since November, 2008.

“This new debit card program builds on Bank of America Merrill Lynch’s strong relationship with the state of South Carolina, “ said Kim Wilkerson, Bank of America South Carolina market president. “We’re pleased to help the Department of Employment and Workforce deliver benefit payments more quickly, efficiently and securely to recipients across the state.”

SCDEW has been testing the debit card program in three pilot areas for the last two months and will begin offering it statewide on July 19, 2010. While the debit card and direct deposit option will be offered first to initial claimants, it is hoped that the agency can expand these options to all claimants statewide and move toward a totally paperless benefits delivery system by Oct. 1, 2010.

To find out more about SCDEW Prepaid Debit Cards or the direct deposit option for unemployment benefits, visit dew.sc.gov and click on the Claimant icon on the home page.