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Press Release

COMMISSIONER'S OFFICE

FOR IMMEDIATE RELEASE April 24, 2009

No. 09-27

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UI Benefits to be Delivered by Debit Card

JUNEAU, Alaska—Workers who file for unemployment insurance benefits after Monday, April 27, and are eligible, will be able to choose between using direct deposit or a debit card to receive benefits. UI recipients who qualified for benefits before that date, and who have not elected direct deposit, will continue receiving paper checks.

"We continually strive to serve Alaskans more effectively, and overcome the geographic and weather challenges posed by living in our state," said Click Bishop, commissioner of the Alaska Department of Labor and Workforce Development. "Debit cards increase security, reduce fraud and provide instant access to cash."

Like 30 other states, Alaska is finding more efficient ways to deliver benefits. Beginning in early May, unemployed workers will be issued a Visa debit card through JPMorgan Chase, which meets the requirement of Alaska Statute 37.25.050 mandating payments be issued by electronic means.

"This is a benefit for Alaska's unemployed workers who will be able to access their funds faster," said Bill Kramer, chief of Unemployment Insurance. "It also benefits the state by reducing printing and mailing costs. Last year, the department printed and mailed more than 205,000 UI checks, at a cost of about \$369,000. The fee for electronic transactions is only 3 cents, compared to \$1.80 to print and mail each check."

Electronic funds are received by workers quicker than checks sent by mail. Debit card transactions work the same as direct deposit transactions that are deposited into an individual's bank account; payment is received on the cards within three business days after filing a bi-weekly certification for benefits.

With a UI debit card, claimants can make two free withdrawals per month at any Allpoint or Chase ATM. They can also request cash back from purchases at more than 4,300 participating retail outlets in Alaska that accept Visa debit cards.

Individuals in locations where there is no infrastructure to support debit card use will be encouraged to use direct deposit for their UI benefits. The department will review instances when paper checks will need to be issued.

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File Online for Unemployment Benefits labor.alaska.gov/esd_unemployment_insurance/biff-splash.htm

Alaska Job Center Network jobs.alaska.gov/