

**CITY OF BALTIMORE
COUNCIL BILL 09-0133R
(Resolution)**

Introduced by: Councilmembers Conaway, D'Adamo, Young, Branch, Middleton, Holton,
Welch, Henry, President Rawlings-Blake, Councilmembers Kraft, Reisinger, Curran, Clarke
Introduced and read first time: June 1, 2009
Assigned to: Judiciary and Legislative Investigations Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor

A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Unemployment Benefits – Debit Cards**

3 FOR the purpose of requesting the Secretary of the Maryland Department of Labor, Licensing
4 and Regulation to report to the City Council on the efficacy of disbursing unemployment
5 benefits to new recipients through prepaid debit cards, to address complaints that some
6 recipients are being charged an ATM fee to gain access to their funds, and to determine the
7 availability of fee-free Citi network ATMs to Baltimore City residents.

8 **Recitals**

9 In December 2008, the Secretary of the Department of Labor, Licensing and Regulation
10 (DLLR) announced that all new recipients of unemployment insurance benefits would receive
11 automatic payments through prepaid debit cards, eliminating the need for paper checks and
12 saving the State \$400,000 a year.

13 The State of Maryland Treasurer's Office and DLLR entered into a contract with Citi Prepaid
14 Services to provide debit cards, which will receive electronic payments automatically.
15 Claimants have the option of having payments directly forwarded to the own bank accounts,
16 purportedly eliminating the problems caused by lost or delayed checks and saving beneficiaries
17 the cost of fees sometimes associated with cashing checks.

18 With their Citi Prepaid debit cards, unemployment insurance claimants are supposed to be
19 able to:

- 20
- 21 • Access fee-free funds at ATMs within the Citi network;
 - 22 • Make fee-free purchases everywhere Visa debit cards are accepted;
 - 23 • Access fee-free cash at Visa member banks;
 - 24 • Access fee-free cash at participating retailers;
 - 25 • Manage their account online or make bank transfers for free; and
 - Access their account via a toll-free interactive voice response system.

26 Unfortunately, it has been reported that in inner-city neighborhoods the number of Citi
27 network ATMS is limited. The scarcity of network ATMS results in recipients paying fees of
28 \$1.50 to \$2.75 to access their funds, thus imposing a financial penalty on persons already
29 experiencing budgetary hard times.

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter deleted by amendment.

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1 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That the
2 Secretary of the Maryland Department of Labor, Licensing and Regulation is requested to report
3 to the City Council on the efficacy of disbursing unemployment benefits to new recipients
4 through prepaid debit cards, to address complaints that some recipients are being charged an
5 ATM fee to gain access to their funds, and to determine the availability of fee-free Citi network
6 ATMs to Baltimore City residents.

7 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Mayor, the
8 Secretary of the Maryland Department of Labor, Licensing and Regulation, entities listed in the
9 Department of Planning Directory of Community Associations, the Commissioner of Housing
10 and Community Development, and the Mayor's Legislative Liaison to the City Council.