



# Knowing your prepaid card rights

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You have certain rights under the law and the terms of your cardholder agreement for your prepaid card. It's important to know your rights and how to exercise them.

## **YOU'LL HAVE THE MOST PROTECTION IF YOU REGISTER YOUR PREPAID CARD**

Your use of a prepaid card might be limited until it's registered. Instructions for how to register your card are usually provided on the card packaging. Registration provides you with more protections if your card is lost or stolen. Some prepaid card providers may require you to register your card and verify your identity when you buy or receive the prepaid card, or soon after.

## **CHOOSING HOW YOU GET PAID**

Some employers might pay you only using a traditional paper check. If your employer offers to pay your wages by payroll card, you must be offered at least one other option. That option might be a paper check, or it could be direct deposit to an account of your choosing (such as a checking or savings account or your own prepaid card). Some states require employers to offer paper checks, while others permit employers to mandate electronic pay for wages. In those cases, you might have to choose between a payroll card and direct deposit.

## **CHOOSING HOW YOU RECEIVE SOME GOVERNMENT BENEFITS**

For some types of government benefits, you may have a choice between receiving the benefits on a government-arranged prepaid card and having them directly deposited into your bank account or onto your own prepaid card. Check with the benefit program to see what your choices are.

## **PROTECTIONS FROM FRAUD AND ERRORS**

For most prepaid cards, you have protections in case of an unauthorized transaction or other error if you have registered your card (or if it's a payroll card or certain type of government benefit card). These protections are not available for needs-tested government benefits provided on a prepaid card and administered by state or local government, such as SNAP or TANF. Benefits administered by the federal government, such as SSI, are protected.

For example, you generally can't be held responsible for unauthorized charges or other errors if you report them promptly. The card provider may be required by federal law to credit the disputed amount to your account while investigating the problem if the investigation will take longer than 10 business days. **You should call your card provider as soon as you notice your card is missing or notice charges you don't recognize.**