



June 30, 2025

U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

**Submitted electronically via the Federal eRulemaking Portal**

**RE: Request for Information Related to the Executive Order, “Modernizing Payments To and From America's Bank Account”**

On behalf of Early Warning Services, LLC (“EWS”), thank you for the opportunity to comment on the U.S. Department of the Treasury’s Request for Information (RFI) regarding Executive Order 14247, “Modernizing Payments To and From America's Bank Account.” We commend Treasury’s leadership in seeking to enhance the efficiency, security, and accessibility of federal disbursements and collections.

EWS is the operator of the Zelle Network® and the Paze<sup>SM</sup> digital wallet, and the authoritative source for demand deposit account (“DDA”) data in the United States. For more than thirty years, EWS has supported financial institutions, government agencies, and private-sector clients with industry leading identity and payments risk solutions. Our data, directly obtained from more than 2,500 U.S. depository institutions, including community banks and credit unions, enables accurate, secure, and real-time insights into over 95% of U.S. DDAs.

As EWS evaluates Executive Order 14247 and this RFI, we are uniquely positioned to help Treasury meet its goals under the executive order to modernize federal disbursements, enhance financial inclusion, and reduce improper payments.

We appreciate Treasury’s vision and are proud to support the Bureau of the Fiscal Service (“BFS”) in its current work to digitize payments and reduce fraud. Based on our existing partnership with BFS, our insights as a provider of real-time and secure disbursement services, and our ability to scale our solutions across the government, we recommend the following:

**Eliminating Paper Checks with Modern, Secure Disbursement Tools**

Check volume in the United States continues to decline rapidly, falling 8.3% annually from 2018 to 2021 and 10.5% annually for consumer-written checks.<sup>1</sup> Despite this, Treasury still issued an estimated 36 million paper checks, representing an aggregate \$175 billion in payments across benefit payouts, tax refunds, vendor payments and inter-agency transactions last year.<sup>2</sup> According to Treasury, in Fiscal Year

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<sup>1</sup> Board of Governors of the Federal Reserve System, *Federal Reserve Payments Study*, available at: <https://www.federalreserve.gov/paymentsystems/fr-payments-study.htm>.

<sup>2</sup> Board of Governors of the Federal Reserve System, *Government Checks Processed by the Federal Reserve – Annual Data*, available at: [https://www.federalreserve.gov/paymentsystems/check\\_govcheckprocannual.htm](https://www.federalreserve.gov/paymentsystems/check_govcheckprocannual.htm).



2024 alone, maintaining infrastructure to support paper records cost the government and American taxpayers over \$657 million. Additionally, FinCEN reported that mail theft-related check fraud amounted to more than \$680 million last year.<sup>3</sup>

Checks are not only expensive and less secure, but they delay access to funds for recipients, especially those with limited mobility or access to transportation.

**EWS strongly supports accelerating the transition from checks to digital payments.** Through disbursements via Zelle®, for example, funds can be delivered in minutes to an enrolled recipient's verified bank account using only an email address or phone number. This eliminates the need to collect or store sensitive account information and routing numbers. Additionally, unlike other payment methods, Zelle is built to include security features that reduce the likelihood of misdirected payments without the need to use additional services or products. Zelle is currently embedded in more than 2,200 financial institutions, representing over 82% of all U.S. DDAs. In 2024 alone, Zelle facilitated more than \$1 trillion in payments across 3.6 billion transactions.

**To facilitate the transition from paper checks and reduce fraud, EWS recommends that Treasury choose an electronic funds transfer ("EFT") option that provides near-instant delivery of funds, does not need sensitive account information, has the ability to match recipient's name in real-time, and has lower fraud rates compared to checks, ACH, and card-based system.** EWS, through its Zelle product, can ensure that taxpayers have an EFT option that provides all these benefits and ensures a safe, secure, and widely available payment method. This scale and network integration makes Zelle ideally suited for government disbursements. Industries such as insurance, higher education, and disaster relief have adopted Zelle for its speed, security, and accessibility.

Additionally, the rapid consumer adoption of Zelle demonstrates the success of a bank-led approach to digitization. Consumers trust their financial institutions and benefit from seamless integration into existing online and mobile-banking platforms. Zelle does not require users to download new apps, create additional logins, or share personal financial information with third parties. This approach has led to widespread adoption with over 150 million consumers and small businesses enrolled to use Zelle and repeat use with over \$1 trillion in annual payments volume last year. As such, we believe it offers Treasury a proven pathway to modernize government payments.

### **Addressing Barriers to EFT and Serving the Underserved**

Approximately 4% of the population today remains unbanked or underbanked.<sup>4</sup> However, a common barrier to further EFT adoption is the assumption that many recipients are unbanked. In reality, some may have accounts that agencies cannot identify. **EWS can help identify consumers who are, in fact,**

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<sup>3</sup> Exec. Order No. 14247, 90 FR 23108 (2025); *Financial Crimes Enforcement Network (FinCEN), FinCEN Issues In-Depth Analysis of Check Fraud Related to Mail Theft*, available at: <https://www.fincen.gov/news/news-releases/fincen-issues-depth-analysis-check-fraud-related-mail-theft>.

<sup>4</sup> FDIC National Survey of Unbanked and Underbanked Households (2023), <https://www.fdic.gov/household-survey/2023-fdic-national-survey-unbanked-and-underbanked-households-executive-summary>.

**banked but lack updated account data on file with agencies. EWS recommends a pilot with BFS to determine the percentage currently identified as unbanked that are banked and able to receive EFTs.**

Where no account is identified, Treasury can draw on EWS's partnership with banks with a significant presence throughout the country — to connect individuals to safe and affordable bank accounts such as Bank On accounts, which are widely available and have no overdraft fees.<sup>5</sup> The Department of the Treasury is encouraged to integrate Bank On-certified accounts for new federal benefit registrants without bank accounts, allowing them to choose from nearly 500 certified accounts and allowing for electronic payments to these accounts. Additionally, Treasury should promote Bank On accounts to current paper check recipients to ensure they can receive electronic payments. A consumer-friendly webpage could be created to facilitate easy access to institutions offering Bank On accounts, similar to the IRS's approach during the pandemic for direct deposit of Economic Impact Payments. Consumers should be able to easily find and select Bank On-certified products on these institutions' websites. For those who remain outside the banking system, we recommend a waterfall approach where Treasury can default to prepaid or Direct Express cards after bank disbursement has been determined not feasible for that individual. To ensure secure issuance of government payments via methods such as prepaid debit cards, Treasury should explore options to provision these cards directly to digital wallets, reducing the risk of mail theft and unauthorized use.

**Additionally, we strongly encourage Treasury to lead public awareness campaigns focused on taking a positive, consumer-first approach to outreach and encouraging the unbanked to consider opening a bank account.** Messaging should focus on the benefits of modern payment options, such as speed, convenience, and security, rather than assumptions about distrust or resistance to banking and digital payment methods. Treasury should ensure that educational efforts sufficiently warn consumers about criminals potentially attempting to exploit the transition to electronic payments by posing as legitimate entities or government officials by using various tactics to deceive consumers into providing personal information or transferring funds. Leveraging trusted brands and resources from federal agencies (i.e., FTC) and credible third parties (i.e., banks, consumer groups), would build consumer trust and help them safely navigate to electronic payments.

### **Fair Application of Regulation**

**As Treasury advances the transition to digital payments, we recommend that Regulation E protections be applied consistently and fairly across all platforms and payment services in order to ensure a level playing field.** A uniform liability framework is essential to ensure consumer protection, regulatory certainty, and a fair and competitive marketplace for all participants and not just financial institutions and their service providers.

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<sup>5</sup> Bank On, available at: <https://joinbankon.org/about/>.



### Reducing Fraud and Increasing Security of Payments

EWS is currently partnering with the BFS to screen payments through our Verify Account solution, and our work has already demonstrated how pre-payment verification reduces fraud and protects taxpayer's dollars. Through our Financial Agent, EWS has screened 200 million payments in 2024 and 2025. In March 2025 alone, we verified account data on over 89 million payments. Additionally, EWS prevented an estimated 134,000 improper Economic Impact and Advance Child Tax Credit payments totaling \$129 million. In partnership with Federal Emergency Management Agency (FEMA), EWS helped avoid an additional \$80.5 million in fraudulent disbursements, and we are actively engaged and supporting the onboarding of additional federal agencies.

**To support the Treasury's efforts to prevent fraud and increase the security of payments, EWS strongly recommends expanding account verification to all inbound and outbound federal payments, not just those designated high risk. Proactive verification before origination can identify closed accounts, detect synthetic identities, and reduce duplicative or misdirected payments.**

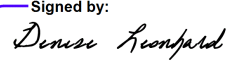
### Recommendations to Treasury

To summarize, based on EWS's operational experience and proven success with Treasury and BFS, we recommend Treasury leverage trusted private sector infrastructure to reduce costs and scale quickly by:

1. Utilizing disbursements via Zelle for fast, low-friction digital delivery from, and payment to, Treasury;
2. Conducting a pilot with EWS to determine the percentage currently identified as unbanked are indeed banked and able to receive EFTs;
3. Expanding account verification for screening every ACH payment – inbound and outbound;
4. Developing a targeted public awareness campaign to increase consumer confidence and adoption of EFTs; and
5. Applying consistent regulatory standards across all payment providers.

EWS supports Treasury's efforts to expand access to financial services while eliminating waste, fraud, and abuse in payments to and from "America's Bank Account." For more than three decades, EWS has been scaling technology solutions that protect hardworking Americans and the financial system. Consumer protection is central to our mission, and we continue to develop and deploy tools to strengthen that commitment. We look forward to continuing our work with Treasury and BFS to advance these shared goals.

Respectfully,

Signed by:  
  
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Denise Leonhard  
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