**Section 2720.11 Methods of Payment**

a) For purposes of this Section, "benefits" includes payments to a claimant pursuant to the Act; trade readjustment allowances and alternative trade adjustment assistance payable pursuant to the Trade Act of 1974, as amended (19 U.S.C. 2101 et seq.); disaster unemployment assistance payable pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 U.S.C. 5121 et seq.); and any other payments the Department may make with respect to unemployment.

b) Except as otherwise provided in subsections (c) and (d), the Department will pay benefits to a claimant by crediting the benefits to a financial institution account that the Department will establish for the claimant and against which the claimant may electronically draw funds through the use of a debit card. The issuance of a debit card pursuant to this Section does not entitle a claimant to draw funds unless:

1) the claimant has activated the card in accordance with the instructions of the financial institution with which the account was established; and

2) the account has a positive balance. The claimant's use of a card pursuant to this Section shall be subject to the terms of the cardholder agreement provided by the financial institution with which the claimant's account has been established. The Department may make adjustments to an account established pursuant to this Section when necessary to correct credit or debit entries made in error.

c) Notwithstanding subsection (b), the Department will pay benefits to a claimant by direct deposit into a financial institution account designated by the claimant if the designation is in effect at the time the benefit payment is processed. A designation made pursuant to this subsection shall be made on a Direct Deposit Authorization Form provided by the Department and shall subject the claimant to the terms and conditions set forth on the form. The Department may make adjustments to an account designated pursuant to this Section when necessary to correct credit or debit entries made in error.

d) Notwithstanding subsection (b), if the financial institution contracted by the Department to make benefit payments to claimants does not issue debit cards, then the payment of benefits will be by way of direct deposit under subsection (c) (which is the preferred method of payment of benefits) or else by issuance of paper checks to claimants. If a claimant had been receiving benefit payments by way of a debit card issued by a financial institution that is no longer the financial institution contracted with the Department to make benefit payments and if that claimant has not notified the Department of an election as to how to receive benefit payments, then benefit payments will be made to that claimant by way of paper checks.

(Source: Amended at 46 Ill. Reg. 5664, effective March 24, 2022)