



FEDERAL RESERVE BANK  
OF DALLAS

WILLIAM H. WALLACE  
FIRST VICE PRESIDENT  
AND CHIEF OPERATING OFFICER

October 19, 1990

DALLAS, TEXAS 75222

Circular 90-78

TO: The Chief Operating Officer of  
each financial institution in the  
Eleventh Federal Reserve District

SUBJECT

GOVERNMENT CHECK PROCESSING TIME LIMITS

DETAILS

This is a reminder that U.S. government checks issued on or before October 1, 1989, became void on October 1, 1990. Federal Reserve Banks will return all "stale-dated" items to the depositing financial institution. To avoid delays in payment, please instruct your staff to be on the alert for these items and refer customers with "aged" government checks to the agency that originally issued the check.

While the time in which to cash checks is affected, a person does not lose entitlement to payment. A payee can contact the federal agency that issued the check to obtain a reissued check. The following summarizes important facts regarding Public Law 100-86:

The legend or notice "VOID AFTER ONE YEAR" appears on all government checks issued on or after October 1, 1989.

Government checks must be cashed within 12 months of the issue date.

Check recipients will have one year from the date of issue to file a claim against a check.

The Department of the Treasury will have 18 months from the date a check is paid by the Treasury to begin funds-recovery action if there has been a claim of forgery or unauthorized endorsement filed by the recipient.

The new law does not affect direct deposit/electronic funds transfer (DD/EFT) payments or processing.

**MORE INFORMATION**

For additional information, please contact Robert L. Whitman, (214) 698-4357, at the Dallas Office; Eloise Guinn, (915) 544-4730, at the El Paso Branch; Luke E. Richards, (713) 652-1544, at the Houston Branch; or Herb Barbee, (512) 978-1402, at the San Antonio Branch. For additional copies of this circular, please contact the Public Affairs Department at (214) 651-6289.

Sincerely yours,

*William H. Waller*