

UPCOMING CHANGES – NACHA RULES

The National Automated Clearing House Association (NACHA) is adopting new rules together with the banking industry. The goal is to improve ACH payments by promoting ACH quality and moving payments faster with Same-Day ACH. NACHA Same-day functionality is allowing banks to implement the changes in three phases, as follows:

PHASES

Phase 1: ACH (processing credits only)
Phase 2: ACH (processing debits and credits)
Phase 3: Faster funds availability - 5:00pm local time

DATE

September 23, 2016
September 17, 2017
March 16, 2018

When fully implemented in 2018, these new rules will give an originator the option to send same-day ACH transactions—both credit and debit—domestically. The two initial phases of the implementation are less comprehensive and are intended to enable the various participants in the ACH payment process to adjust to the new standards for accelerated processing.

NACHA Same Day ACH

Effective September 23, 2016, the Rule will allow banks the ability to exchange same-day credit entries at 10:30am EST and 2:45pm EST. ACH debit transactions will be eligible for same-day processing in September 2017. Transactions greater than \$25,000 and International ACH transactions (IAT) are not eligible for same-day processing by the ACH network.

Note: The U.S. government will not be participating in Same-Day ACH when it becomes effective on September 23, 2016. Any ACH transaction originated from, or received by, the U.S. government will not be eligible for same-day settlement and will continue to settle on a future date. This only applies to government payments.

You may have questions about the new NACHA rules.

The following resources are available to you:

- Contact your City National Bank Treasury Management Team at tmsales@citynational.com or at 305-349-5465
- Contact your City National Bank Electronic Banking Team at 305-349-5490
- Federal Reserve Bank Services – Frequently Asked Questions:
www.frb services.org/help/same_day_ach.html#gp1
- NACHA web site: NACHA.org/rules