



Financial Services Policy Committee

Federal Reserve System

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Federal Reserve Banks Announce Plans for Same-day ACH Service for Debit Transactions

Minneapolis, Mar. 2, 2009 — The Federal Reserve Banks today announced plans to add increased flexibility in their Automated Clearing House (ACH) settlement schedules by developing an intraday service for certain existing ACH debits. The service would be restricted to consumer checks converted to ACH as well as consumer debits generated from Internet and telephone transactions. Consumer or corporate credits will not be included in the new service, which is intended for rollout in the second quarter of 2010.

“The same-day service will provide for faster settlement of some ACH debit payments and is consistent with the Federal Reserve’s objective to support the continued efficiency and integrity of the U.S. retail payments system,” said Gary Stern, chairman of the Reserve Banks’ Financial Services Policy Committee and president of the Federal Reserve Bank of Minneapolis. “The service is not mandatory and depository institutions will need an opt-in agreement to participate.”

This same day service will allow checks being converted to ACH to be cleared and settled on schedules similar to those in place today for the Fed’s Check 21 image exchange services. In addition, this accelerated service will allow financial institutions to identify potentially fraudulent transactions more rapidly, allowing corrective action to be taken sooner.

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