

Rule Overview

SAME DAY ACH: *Moving Payments Faster & Offering the Industry Choice*

NACHA brought ACH Network users together to move payments faster with Same Day ACH. The new Rule will provide a ubiquitous same-day clearing and settlement capability for virtually all ACH payments.

Same Day ACH: *The Opportunity*

The industry has spoken and will be moving payments faster with Same Day ACH. Same Day ACH offers an option to the consumers, businesses and governments who want to move their money faster. It is an immediate action that financial institutions have undertaken to modernize the payment system, and creates a building block for a variety of products and services.

Same Day ACH: *The Rule*

Same Day ACH will build upon existing, next-day ACH Network capabilities and establish a new option for same-day clearing and settlement via ACH. Under the Rule, two new same-day settlement windows will be added to the ACH Network, increasing the number of settlements between financial institutions from once each day to three times each day. The Rule also requires that all Receiving Depository Financial Institutions (RDFIs) receive same-day transactions and provide faster funds availability to customers. Additionally, the Rule establishes the methodology for a Same Day Entry fee as a mechanism for RDFIs to recover some of their costs for enabling and supporting mandatory receipt of same-day ACH transactions.

Same Day ACH creates value for end users through its reach to all bank accounts in the US, and the Same Day Entry fee included in the Rule ensures that ubiquity.

Same Day ACH: *Use Cases & Volume*

NACHA estimates Same Day ACH payments will be generated from 10 primary use cases and 63 sub-use cases, including same-day payrolls, expedited bill payments, business-to-business (B2B) payments, and account-to-account (A2A) transfers. The majority of Same Day ACH payments are expected to enhance existing ACH applications, giving consumers and businesses the choice of speed.

Same Day ACH: *Changes from the RFC*

The summary below outlines the final Rule at a high level, including key changes from the original Request for Comment (RFC). In preparing the Same Day ACH Rule, NACHA balanced differing perspectives from many parties – specifically addressing issues raised. The changes made were to ensure the resulting Rule responded to industry feedback from many types of organizations. The result of this dialogue is a final rule that will benefit consumers and businesses that need to quickly pay bills and receive funds faster.

Changes were not made to the per-transaction dollar limit, and RFDI funds availability requirements. These were supported by a significant portion of respondents; and for the smaller portion that provided feedback on changes, there was not consensus on specific changes.

Proposed in RFC	Changes in Final Rule
Same Day ACH transactions in the earlier same-day window would be submitted by 10:00 a.m. ET* and settled by 12:00 noon ET; and this settlement time would become effective in the third implementation phase.	Same Day ACH transactions in the earlier same-day window would be submitted by 10:30 a.m. and settled by 1:00 p.m. ET; and this settlement time would become effective in the first implementation phase.
Methodology for calculating a Same Day Entry fee included investment costs, operating costs, opportunity costs, and a reasonable rate of return, and resulted in an estimate of 8.2 cents per Same Day ACH transaction paid from the ODFI to the RFDI.	Methodology for calculating a Same Day Entry fee excludes opportunity costs, but still includes investment costs, operating costs, and a reasonable rate of return; the fee amount is 5.2 cents per Same Day ACH transaction.
"Checks and balances" methodology to measure the effectiveness of the Same Day Entry fee at defined intervals and reduce the fee if volume substantially exceeds expectations.	Includes new language that makes it explicit that the amount of the fee will not increase as a result of these periodic reviews.
Same Day ACH transactions would be identified by using the current date in the Effective Entry Date field and timely submission to an ACH Operator.	In addition to using the current Effective Entry Date, an ODFI at its discretion, could also have its Originators use an optional, standardized method to further show intent for same-day settlement.
The three implementation dates would be September 16, 2016; September 15, 2017; and March 16, 2018.	The three implementation dates would be September 23, 2016; September 15, 2017; and March 16, 2018.

*All times are approximate. Final times will be decided by the ACH Operators.

For more information on Same Day ACH, please visit
www.nacha.org/same-day-ach

