

ACH Operations Bulletin #7-2020 Nacha Provides Update on COVID-19 Relief and Upcoming Effective Dates

 nacha.org/news/ach-operations-bulletin-7-2020-nacha-provides-update-covid-19-relief-and-upcoming-effective

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Relief Extended Indefinitely

The following areas of relief are extended indefinitely, pending further notice. For a more detailed discussion of each area of relief, please review the original notice referenced. Nacha will publish a 30-day advance notice prior to the expiration of any such relief.

1. Relief from deadlines for delivery of certain records that are required under the Nacha Rules; and relief from Rules enforcement response deadlines

Nacha will not enforce cases in which a Proof of Authorization, Source Document/Item, or Written Statement of Unauthorized Debit is provided after the existing 10 Banking Day time frame but is provided within 20 Banking Days.

In addition, Nacha's Rules enforcement process can accommodate short extensions of required response timeframes on a case-by-case basis.

This relief was announced via ACH Operations Bulletin #3-2020 on March 20, 2020; see nacha.org/OpsBulletin32020.

2. Relief from the signature/similar authentication requirement for Written Statements of Unauthorized Debits

Nacha will not enforce the signature or similar authentication requirement when RDFIs obtain a consumer's Written Statement of Unauthorized Debit.

This relief was announced via ACH Operations Bulletin #5-2020 on March 27, 2020; see nacha.org/OpsBulletin52020.

3. Relief from Return Rate Levels

With respect to potential Rules violations for elevated return rates and levels, Nacha will provide relief for potential Rules violations on a case-by-case basis.

This relief was announced via ACH Operations Bulletin #6-2020 on April 2, 2020; see nacha.org/OpsBulletin62020.

4. Relief from signature requirement for POP Entries

Nacha will not enforce the signature requirement for the authorization of POP Entries.

This relief was announced via a Frequently Asked Question on May 5, 2020; see <https://www.nacha.org/rules/ach-network-rules-pandemic-related-faqs>.

5. Relief from signature or similar authentication requirement for POS Entries

Nacha will not enforce the signed or similarly authenticated requirement for the authorization of POS Entries when Originators elect not to ask customers to enter a PIN.

This relief was announced via a Frequently Asked Question on May 5, 2020; see <https://www.nacha.org/rules/ach-network-rules-pandemic-related-faqs>.

Effective Dates of Upcoming Nacha Rules and other ACH Requirements

Nacha affirms the effective dates of the following upcoming Rule changes and requirements. Where indicated, Nacha will not enforce a rule for an additional period of time.

October 30, 2020 – Deadline for all depository financial institutions participating in the ACH Network to register contact information in the ACH Contact Registry. Nacha will not enforce this rule for an additional period of nine months, through July 31, 2021, during which non-compliant institutions can register without any enforcement action.

December 31, 2020 – Deadline for covered parties to complete their annual ACH Rules Compliance Audit.

March 19, 2021 – Effective date of the rule to Expand Access to Same Day ACH; i.e., the new Same Day ACH processing window goes live.

March 19, 2021 – Supplemental Fraud Detection for WEB Debits (i.e., Account Validation). ACH Originators are required to include account validation within a commercially reasonable fraudulent transaction detection system, for the first use of new account information. Nacha will not enforce this rule for an additional period of one year from the effective date with respect to covered entities that are working in good faith toward compliance, but that require additional time to implement solutions. Nacha strongly encourages all such covered entities to work towards compliance as soon as possible.

April 1, 2021 – Effective date of Phase 2 of the rule to Differentiate Unauthorized Returns. As of April 1, 2021, the existing Unauthorized Entry Fee will be applied to R11 returns.

June 30, 2021 – Supplemental ACH Data Security. Certain ACH Originators and covered third-parties are required to implement an additional safeguard for account numbers used in ACH payments by rendering the information unreadable when stored electronically. Nacha will not enforce this rule for an additional period of one year from the effective date with respect to covered entities that are working in good faith toward compliance, but that require additional time to implement solutions. Nacha strongly encourages all such covered entities to work towards compliance as soon as possible.