



Same Day ACH Debits: What Customers Need to Know

Same Day ACH is a new rule adopted by The National Automated Clearing House Association which is the rulemaking body for the ACH network. ACH is an electronic network for financial transactions that include credit and debit transactions. ACH credit transfers include direct deposit, payroll and vendor payments. ACH direct debit transfers include consumer payments on insurance premiums, mortgage loans, and other types of debits that post to your account. Effective September 15, 2017, direct debit transfers can be originated by your biller, merchant, company and received by the account holder on the same day.

ACH is usually a one to two-day process which means your employer may send an ACH credit to your account on Day 1 and this will not hit your account until Day 3. Sending an ACH debit means your biller sends a debit to post to your account on Day 1 and this will not post to your account until Day 2. Same Day ACH speeds things up allowing both credits and debits to be transmitted and received on the same day.

So what does this mean for our customers?

If it is a credit, good news in that you could receive a credit the same day it is transmitted. If it is a debit, you should receive the debit on the date intended based on the authorization agreed upon between you and your biller/merchant when providing account information in-person, over the phone or online.

Tips for When ACH Debits Post to Your Account Earlier than Expected

We want to make sure you are educated about this new network offering so below are a few tips if you receive a debit prior to the date provided in the authorization detail:

- If you identify a debit on your account that is posted earlier than what was intended by the authorization obtained, first contact the merchant or entity debiting your account as this could be the result of the Same Day Debit rollout;
- Discuss the effective date of the payment and determine if the debiting date on your account matches the authorization;
- If you cannot resolve this with the entity that posted the debit to your account, you have consumer rights which is provided in your terms and conditions agreement with the bank;
- Check your account daily to ensure you do not have any debits to your account that were not authorized as intended.
- Contact our bank if you need to initiate an unauthorized ACH claim.