



June 2, 2008

Ms. Jennifer J. Johnson
Secretary
Board of Governors of the
Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Bank of America, N.A.
Corporate Treasury
NC1-003-04-02
901 West Trade Street
Gateway Center
Charlotte, NC 28255-0355

Re: FRB Docket Number OP-1309

Dear Ms. Johnson:

Bank of America appreciates the opportunity to comment on the Board's proposed changes to the posting time for commercial and government ACH debit transfers that are processed by the Reserve Banks' FedACH service to 8:30 a.m. to coincide with the posting of commercial and government ACH credit transfers.

Bank of America operates the largest and most diverse banking network in the United States with \$1.6 trillion in total assets and over \$800 billion in worldwide deposits. We offer full-service consumer and commercial services in 33 states and the District of Columbia with over 6,100 retail branch locations and over 18,700 ATMs.

We strongly support these changes and believe that they will significantly improve the functioning of the payments system in the United States.

1. To what extent do institutions that originate debit transfers through FedACH incur competitive disparities because of the difference in settlement times between operators? To what extent would adopting the proposal alter this situation?

Bank of America originates debit transfers through both ACH Operators and does not consider the time of day to be either a significant advantage or disadvantage for either ACH operator.

The adoption of this proposal would not alter the Bank of America decisions regarding which ACH Operator would be used for the origination of particular types of transactions.

2. To what extent are there competitive disparities between ACH operators because of the difference in settlement times? To what extent would adopting the proposal alter this situation?

Bank of America recognizes that there are competitive disparities between the two ACH Operators because of the difference in settlement times. However, we believe

that adopting this proposal would not significantly change the balance for most financial institutions. There are a number of other factors that weigh into a financial institution's decision on which ACH Operator to use that go beyond the difference in settlement times.

3. Would the proposed change have an effect on the availability of funds to customers of depository institutions?

Bank of America has always made, and would continue to make funds available to our customers at the opening of business regardless of the time of day that the items are posted to our account at the Federal Reserve.

Bank of America believes that this proposed change would not have an impact on how most other institutions make funds available to their customers.

4. To what extent would the proposed broader PSR policy changes, including a zero fee for collateralized daylight overdrafts, mitigate the liquidity concerns of originating institutions if the Board did not adopt the proposed change to the posting rules for of ACH debit transfers?

Bank of America believes that if credits for ACH debit transfers originated continue to have a posting time of 11:00 am ET instead of 8:30 am ET, it may complicate efforts by some institutions to arrange to have collateral pledged that early in the day if needed.

5. To what extent would the proposed broader PSR policy changes, including a zero fee for collateralized daylight overdrafts, mitigate the liquidity concerns of receiving institutions of the proposed change to the posting rules for ACH debit transfers?

Bank of America believes that if debits for ACH debit transfers received are posted at 8:30 am ET instead of 11:00 am ET, it may complicate efforts by some institutions to arrange collateral that early in the day.

6. Under the current and the proposed PSR policy, what costs would institutions expect to incur to fund their Federal Reserve accounts by 8:30 a.m. for ACH debit transfers, particularly if the institutions did not want or were ineligible to incur daylight overdrafts?

Bank of America would not incur additional costs due to the type and nature of our collateral. Institutions overall may find it difficult to obtain funding or arrange collateral for that early in the day (5:30 am PT).

7. If the Board changed the posting times for ACH debit transfers and EFTPS ACH debit transfers to 8:30 a.m., is six months a sufficient lead time for implementation to enable institutions to make plans to secure additional funding, as needed?
Alternatively, should the Board implement the change to the posting rules at the same time as the proposed broader PSR policy changes to provide institutions an opportunity to pledge (additional) collateral to manage a possible increase in fees?

Bank of America believes that six months is sufficient time for the Board to make the changes that are discussed in this document.

Bank of America appreciates the opportunity to comment on the Board's proposed changes and we thank you for your consideration of these comments.

Respectfully Submitted,



Robert B. Clark
Vice President
980.386.1450

Cc: T. M. Balachandran