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June 1, 2011

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

Re: Docket No. R – 1409 and RIN No. 7100 AD – Regulation CC; Availability of Funds and
Collection of Checks

Dear Ms. Johnson and Governors of the Federal Reserve Board:

I am writing on behalf of the Board of Directors and management team of Visions Federal Credit Union which is headquartered in Endicott, New York and serves over 126,000 members in Upstate New York and northern Pennsylvania.

Overall, the move to processing checks electronically has worked very well in improving the turnaround time for payments, although not without the need for serious investment in infrastructure by our credit union and other financial institutions. The major provisions in this current proposal to change all checks to “local” makes sense now that the electronic network is established; however, reducing the safe-harbor period for exception hold to four days fails to recognize the continued prevalence of check fraud and could lead to higher losses by banks and credit unions that will eventually be passed on to consumers.

Our specific comments by section follow:

Section 229.2(s) – Electronic Collection Item

We support the updated definition that covers images presented electronically that are sufficient to create and process as a substitute check.

Section 229.10(c) – Next-Day Availability of certain Check Deposits

We support the next day availability for checks deposited in a branch of our credit union, but due to the difference in technology associated with our shared branching network, we believe shared branches should still be considered a foreign institution. We understand that the Dodd-Frank rules require the amount available from a check deposit to be increased from \$100 to \$200 and therefore have no comment.



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Section 229.12 – Availability Schedule

We support this rule that except for the enumerated exceptions - deposits must be available by the second business day.

Section 229.13 Exceptions

We support the exceptions listed under Large Deposits (b) and Repeated Overdrafts (d). Implementation of 229.13(g) Notice of Exception will require even more extensive programming efforts than just changing holds and amounts, and the additional information does not seem critical so we object to this change. We support 229.13(h) as long as we are able to retain case by case holds which are necessary in some instances, such as new accounts where most check fraud still occurs.

Appendix C – Model Forms

It does not seem the millions of dollars this will cost financial institutions to reprint these notices because the proposal changes second to "2". We suggest that this new format be optional or allow older notices to be used for a period of five years.

Thank you for the opportunity to comment on the proposed regulations.

Sincerely,



Frank E. Berrish
President

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cc: Mr. Fred Becker, President – NAFCU

Mr. Bill Cheney, President - CUNA