

From: Virginia Credit Union, Beverley Rutherford
Proposal: 1409 ver. 2 (RIN 7100-AD68) - Reg CC - Availability of Funds and Collection of Checks
Subject: Regulation CC

Comments:

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Proposal: Regulation CC: Availability of Funds and Collection of Checks [R-1409]

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First name: Beverley

Middle initial:

Last name: Rutherford

Affiliation (if any): Virginia Credit Union

Affiliation Type: Commercial (Com)

Address line 1: 7500 Boulder View Drive

Address line 2:

City: Richmond

State: Virginia

Zip: 23225

Country: UNITED STATES

Postal (if outside the U.S.):

Your comment:

Thank you for the opportunity to comment on the FRB's proposed changes to Regulation CC, which applies to the availability of funds and collection of checks. I am responding on behalf of a state-chartered credit union located in Virginia with over 2.5 billion in assets and over 230,000 members.

We generally support the proposed changes. We do have a few comments on certain areas of the proposal. The FRB had requested comment on its two alternative approaches to modify the current expeditious-return and notice of nonpayment requirements to encourage financial institutions (FIs) that currently request paper returns to transition to electronic returns. In considering both approaches, we support Alternative #2.

We also believe that Reg. CC's current same-day settlement rule for paper checks should remain unchanged and should not be extended to electronic checks. We have not found that presenting FIs that generally use electronic check collection methods still present checks in paper form to paying FIs. We also respectfully ask the FRB to consider a 12 month implementation period for these changes to ensure sufficient time is allowed to implement the proposed changes.

Thank you again for considering our comments as you finalize the proposed changes.