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July 2, 2015

Robert deV. Frierson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW.
Washington, DC 20551.

RE: Same-Day ACH; FRS-2015-0177-0001; Docket No. OP-1515

Dear Mr. Frierson,

The Georgia Credit Union League (GCUL) appreciates the opportunity to comment on the Federal Reserve Board's (FRB) Same-Day ACH. As a matter of background, GCUL is the state trade association and one member of the network of state leagues that make up the Credit Union National Association (CUNA). GCUL serves approximately 136 Georgia credit unions that have more than 2 million members. This letter reflects the views of our Regulatory Response Committee, which has been appointed by the GCUL Board to provide input into requests for proposals such as this.

GCUL believes that providing financial institutions faster payments on the Automated Clearing House (ACH) network could be very beneficial for most financial institutions. However, we are very concerned about the costs and implementation issues the proposal will create for credit unions, especially smaller credit unions.

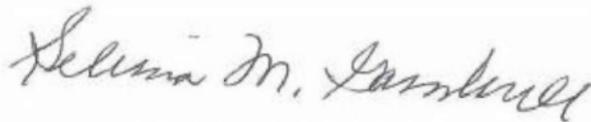
As we pointed out in our letter to NACHA dated February 5, 2015 when they earlier asked for comments on changes to same-day ACH, credit unions both large and small, have concerns with Same Day ACH implementation and costs. The proposed rule will create a shorter window to process returns, which in turn will allow less time to monitor for fraud (which is a significant risk). Credit unions will also have less time to settle debits and credits, and post and order transactions. Additional implementation changes include programming, additional staff resources, updated disclosures and risk assessment, and thorough staff training. This rule will require numerous changes to operations and these changes will be very costly to implement. Smaller institutions will receive very few expedited transactions and have very limited resources. Therefore, we ask the FRB to exempt small institutions from this rule and allow them to opt in to send and receive same-day ACH payments if they choose. This approach would enable financial institutions to decide whether to participate in same-day ACH depending on their payment needs and their resources and risk management programs.

GCUL supports the proposed interbank fee, as it would help offset some of the costs associated with putting the new rule into effect. However, without knowing what the true costs will be to financial institutions it is hard to say whether the projected income will cover all costs for implementation and ongoing processing of Same Day ACH. In NACHA's earlier proposal, NACHA proposed an interbank fee of 8.2 cents and estimated that the 'projected' recovery time would be 11.5 years. Now NACHA is proposing an interbank fee of 5.2 cents a transaction which will mean an even longer time to recoup costs; and this time period will likely be even longer for smaller institutions. If other payment methods are introduced (such as real-time transactions) the cost for recovery will be considerably longer. Therefore, we ask the Federal Reserve Bank to re-evaluate whether RDFIs can receive higher interbank fees from ODFIs, especially as smaller institutions will be incurring higher costs relative to the small number of Same Day ACH payments they receive. We urge the Federal Reserve to recognize that a higher interbank fee is crucial, and the FRB should consider implementing NACHA's earlier proposed fee of 8.2 cents per transaction or even higher.

While we support the progress that the FRB and NACHA are making in the area of ACH transactions, we ask both institutions to minimize costs incurred to all financial institutions, but especially smaller ones.

GCUL appreciates the opportunity to present comments on behalf of Georgia's credit unions. Thank you for your consideration. If you have questions about our comments, please contact Selina Gambrell or Cindy Connelly at (770) 476-9625.

Respectfully submitted,

A handwritten signature in cursive script that reads "Selina M. Gambrell". The signature is written in dark ink on a light-colored background.

Selina M. Gambrell
Compliance Specialist