NACHA, MICHAEL HERD

Proposal and Comment Information

Title: Proposed Revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Account and Services Requests, OP-1878

Comment ID: FR-2026-0013-01-C64

Submitter Information

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Organization Type: Organization

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Attached are the Nacha comments pertaining to Docket No. OP-1878

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Electronic File Delivery
Proposed Revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Account and Services Requests
Docket No. OP–1878

Nacha is pleased to submit comments to the Federal Reserve (Fed) on its Notice and Request for Comment (RFC) on Proposed Revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Account and Services Requests. The Fed proposes to provide special-purpose accounts that would clear and settle limited payment activity (Payment Accounts).

Nacha and the ACH Network

Nacha governs the modern ACH Network, the electronic payment system that moves consumer and business payments safely and quickly to accounts at all U.S. banks and credit unions. More than 35 billion ACH Network payments were made in 2025, moving a total of $93.0 trillion. The ACH Network is governed by the Nacha Operating Rules ("Nacha Rules"). Nacha represents nearly 8,000 financial institutions of all sizes and types throughout the United States, both directly and through 9 Payments Associations.

Nacha Comments on the Payment Account

While Nacha does not have a position on whether the Federal Reserve should offer a special-purpose Payment Account, we offer these comments for consideration.

ACH Credit-Only Arrangements Would Undermine the Ubiquity of the ACH Network

Nacha agrees with the Fed's analysis and conclusions that it would be both impractical and contrary to the ACH Network's design and long-standing success to permit Payment Account holders to have access to FedACH without receiving ACH debits, whether by means of credit-only access or send-only access. By design and the Nacha Operating Rules, all financial institutions participating in the ACH Network receive and post all types of ACH payments, including debits, to Receivers' accounts at their institutions. Allowing financial institutions to participate in ACH without receiving ACH debits would significantly undermine the ubiquity of the ACH Network. Further, reversing an ACH credit necessarily involves sending a debit, so a sending bank in a credit-only arrangement would have to forego the use of this feature of the ACH Network.

Differentiated Access to Retail Payment Systems

One consequence of the design of the Payment Account is advantageous access to FedNow compared to other retail payments, including ACH. An institution with a Payment Account would be able to send FedNow payments directly to the Fed but would still need access to a Master Account through a correspondent to clear and settle its ACH payments, with the additional steps and costs that this can entail.

A Payment Account Should Exclude Access to the National Settlement Service

The Payment Account should not include access to the National Settlement Service (NSS). According to the Fed's summary of the December 2025 Request for Information, respondents did not identify any NSS-related needs or use cases for likely Payment Account applicants. The settlement of transactions in private-sector arrangements can introduce risks to participants in such arrangements and significant longer-run effects for the nation's payment system beyond credit risk to Reserve Banks. Accordingly, access to NSS should not be granted under expedited review for a Payment Account.

Rename the Account to "Special-Purpose Account"

Nacha recommends a different name for such an account instead of Payment Account. As outlined in the RFC, a holder of a Payment Account would have access to Fed services that comprise approximately only 1 percent of all payments cleared and settled by the Fed.[1] Therefore, it seems potentially confusing to call the special-purpose account a Payment Account, when in fact an institution would need a Master Account to settle the significant majority of its payment activity. As the descriptive term "special-purpose" is used throughout the RFC, Nacha suggests simply using the descriptive title "Special-Purpose Account."

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Nacha appreciates the opportunity to provide comments on the RFC.

Sincerely,

/s/
Michael Herd
Executive Vice President, ACH Network Administration
Nacha

[1] Based on published payment volumes of Fed services for Q3 2025.