Nacha is requesting industry feedback on set of Rules proposals and other concepts collectively referred to as "Meaningful Modernization." The overarching purpose of these proposals is to improve and simplify the ACH user-experience by facilitating the adoption of new technologies and channels for the initiation of consumer ACH payments; reducing barriers to use of the ACH; providing flexibility and increasing consistency related to the authorization of consumer ACH payments; and reducing certain administrative burdens on ODFIs and their Originators, and on RDFIs and their consumer customers.

The request for industry feedback has two components. Five specific proposals are being put forth as a Request for Comment to amend the Nacha Operating Rules; a sixth topic is being issued as a Request for Information to gather industry perspectives, but at this time is not a specific proposal to amend the Nacha Rules. Each is identified below.

**Request for Comment on Proposals to Amend the Nacha Rules**

Nacha is issuing for comment five specific proposals to amend the Nacha Rules:

1. Explicitly define and better enable the use of standing authorizations for consumer ACH debits, thereby better accommodating the use of new technologies and business methods that make use of frequent or occasional interactions between parties to transact;
2. Define and allow for the use of oral authorization of consumer ACH debits beyond telephone calls, thereby better accommodating the use of new technologies and business methods that make use of verbal interactions and voice technologies;
3. Clarify and provide greater consistency of authorization standards for consumer ACH debits across payment authorization and initiation channels;
4. Reduce the administrative burden of providing proof of authorization of a consumer ACH debit; and,
5. Reduce the administrative burden associated with the Written Statement of Unauthorized Debit by better facilitating the use of electronically and orally provided statements.

Nacha requests comment and feedback from the industry on all aspects of these Rules proposals. Comments and feedback are requested by April 3, 2020.
Request for Information

In addition to the five specific Rules proposals described above, Nacha also requests the industry to provide information and perspectives on whether the ACH Network should explore the potential to allow authorization dispute resolution for Originators of consumer ACH debits.

Currently, the Nacha Rules do not provide any recourse or appeal for ACH Originators that receive the return of a consumer debit as unauthorized, including in cases in which the Originator has provided, or could provide, proof of a valid authorization. Any such recourse must be pursued outside the ACH Network.

Conceptually, the Nacha Rules could allow an Originator to refute the basis of a return of a consumer debit as unauthorized, perhaps by demonstrating to an arbiter that valid authorization was obtained prior to initiating the debit.

While this concept is not being put forth at this time as a proposal to amend the Nacha Rules, Nacha requests information and perspective on this topic from industry stakeholders by April 3, 2020 in order to inform the rulemaking process.

Comment Process

All Nacha proposed rules are open for public comment via a Request for Comment. Nacha encourages responses from ACH Network participants and interested parties. Comments on the five proposals to modify the Nacha Rules are quested by April 3, 2020. Information and feedback on the concept of dispute resolution in the Request for Information is also requested by April 3, 2020.

For more information about the proposed rules and how to submit comments, please visit www.nacha.org.