

Same-Day ACH Debits: What This Change Means for You

When using your debit card or writing a check, have you gotten used to some lag-time between the transaction and the money clearing your account? This will be going away – for example, if you pay your cable bill by telephone in the morning, the funds could be cleared from your account before 5:00 *the same day*.

On September 15, the Federal Reserve will start processing same-day ACH (Automated Clearing House) debits. This is an option that allows funds to move more quickly than in the past, further modernizing current payment systems. These can originate from your credit union transactions or if you're shopping at your local supermarket or other retailer. Whether you choose to use your debit card or a check won't matter, as large retailers can opt to convert checks to ACH, the same system that clears your debit transactions. Payments you schedule via websites, telephone or mobile apps where you provide your account number could be affected by this change.

3 Tips to be Prepared

1. Don't Assume Funds Will Clear the Day After Purchase

Habits can be hard to break. Get in the habit now of planning for funds to clear at the time you swipe your card.

2. Check Your Share Draft Balance

Keeping a low balance can have a negative impact in the event a same-day ACH debit overdraws your account and incurs a fee. Even with courtesy pay or overdraft protection-- keeping your account balance at a level that supports your spending is the best way to keep your account in the green.

3. Ask Questions at Katahdin Federal Credit Union

We are here to help! Leading up to and after this change occurs, watch your statements for additional announcements. And as always, please contact us by phone, email, or stop into our branch to ask any questions that you may have!