

# 2026 NACHA NEW FRAUD MONITORING RULES

## OVERVIEW

Nacha is shifting the ACH Network's fraud-risk approach from optional or passive controls toward **mandatory risk-based monitoring** for both outgoing and incoming transactions.

### PHASE 1 – EFFECTIVE MARCH 20, 2026

- All **Originating Depository Financial Institutions (ODFIs)**
- Originators and Third Party Service Providers (TPSPs/TPSSs) with **≥ 6 million ACH originations in 2023**
- RDFIs (Receiving Depository Financial Institutions) with **≥ 10 million ACH receipts in 2023**

### REQUIREMENTS:

- Establish and implement **risk-based processes and procedures** to identify ACH entries initiated due to fraud. This includes automated and human monitoring and must be reviewed **annually**.
- The rule explicitly removes “commercially reasonable” language and replaces it with “reasonably intended to identify” fraudulent activity.

### PHASE 2 – EFFECTIVE JUNE 22, 2026

All remaining ACH participants, **regardless of volume**, must comply:

- All ODFIs
- All RDFIs
- All Originators and Third Party Service Providers/TPSSs

## WHAT THIS MEANS FOR FINANCIAL INSTITUTIONS

Financial institutions must set up and document formal, risk-based fraud monitoring. This could include procedures such as:

- ✓ Monitoring for business email compromise (BEC), vendor, or payroll impersonation fraud
- ✓ Detecting unusual transactional patterns (velocity, amounts, account behavior)
- ✓ Monitoring “credit push” fraud where funds are pushed into an account under false pretenses
- ✓ Reviewing and updating fraud monitoring annually

## DEFINITION & DETECTION OF “FALSE PRETENSES”

Nacha has introduced a clearer definition of false pretenses to capture fraud types such as:

- Misrepresentation of identity
- False authority to act
- Vendor/payroll impersonation

This definition applies across both phases of monitoring requirements.

## FUNDS AVAILABILITY REQUIREMENTS (EFFECTIVE SEPT. 18, 2026)

- The existing rule that requires Receiving Depository Financial Institutions (RDFIs) to make standard ACH credits available by **9:00 a.m. on settlement date** if received by **5:00 p.m. local time** will change.
- The **5:00 p.m. condition is being eliminated**, so all qualifying ACH credits must be available by **9:00 a.m. on settlement day** regardless of when they’re received the prior day — accelerating availability.

## INTERNATIONAL ACH TRANSACTIONS (IAT) RULE CHANGES

Effective **September 18, 2026**:

- A **clarified definition of IAT entries** to help determine when an ACH payment should be treated as a cross-border transaction.
- This is intended to expand and simplify safe, inexpensive cross-border ACH usage.

## STANDARDIZATION OF COMPANY ENTRY DESCRIPTIONS (EFFECTIVE MARCH 20, 2026)

Some company entry description fields will become standardized nationwide:

- **PAYROLL** for wage/salary PPD credits
- **PURCHASE** for e-commerce WEB debit transactions

## MINOR AND OTHER RULE CHANGES

- Expanded use of return reason codes (e.g., R17 & R06) for fraud returns and ODFI return requests
- Changes to the timing and procedures for handling unauthorized transaction notifications and returns

## NACHA OFFICIAL RESOURCES

- NACHA New Rules & Risk Management Topics – full schedule & descriptions  
<https://www.nacha.org/newrules>
- Summary of Upcoming Rule Changes (PDF)  
<https://www.nacha.org/content/summary-upcoming-rule-changes>
- NACHA Operating Rules & Guidelines (purchase source & detailed rules)  
<https://www.nacha.org/rules>