



Important Notice: 2026 National Automated Clearing House Association (Nacha) Rule Changes Impacting ACH Originators

As part of our commitment to keeping our ACH origination customers informed of ACH Rule changes, we are providing you with the following summary of upcoming changes to the Nacha Operating Rules.

These updates are intended to enhance risk management within the ACH Network for all participants. Some or all of these changes may not directly impact your organization. This summary highlights the most common impacts to corporate originators but is not intended to replace the detailed review necessary to determine how these changes affect your specific organization.

Nacha is introducing new fraud monitoring requirements in 2026 that apply to all non-consumer ACH originators and third-party senders. These updates focus on strengthening risk-based monitoring and enhancing controls around authorizations and payment instruction changes.

1. Origination Fraud Monitoring

Effective Dates:

- Phase 1 – March 20, 2026: Organizations and third parties that originated six million or more ACH entries in 2023
- Phase 2 – June 19, 2026: All other non-consumer originators and third-party senders

Summary

Beginning in 2026, your organization must implement risk-based processes designed to identify and prevent fraudulent outgoing ACH entries. This includes proactive monitoring of transactions and validating activity that appears unusual or inconsistent.

Details

Currently, the Rules require fraud monitoring processes only for WEB debit entries. The new requirement expands fraud monitoring expectations to all entry types, with the goal of detecting and preventing fraud schemes such as business email compromise and fraudulent invoice scams.

Impact

Originators may already have controls in place such as anomaly detection, transaction monitoring alerts, or other fraud prevention measures. Each organization should review its existing processes and procedures to determine whether enhancements are necessary to comply with the new requirements.

What This Means for Your Organization

The following list of best practices should not be considered an all-inclusive list of requirements for compliance by an origination participant as each originator will be expected to adopt necessary risk-based measures, depending on size, complexity, and applicable risk factors.

Strong authorization processes remain essential under the new rules.

- Maintain complete and compliant authorizations for all entries.
- Ensure payees' legal names are used.
- Respond promptly to inquiries regarding flagged or unusual entries.
- Monitor for unusual authorization activity that may signal risk.

Changes to payment instructions are a common path for fraud. Tightening verification processes helps protect your business and your customers.

Independently verify any change to account or routing details.

Use callback procedures through trusted contact information.

Add extra confirmation steps for higher risk or high dollar updates.

Document each verification step for clear audit trails.

Implement dual control for ACH file creation and approval.

Consider segregation of duties with template updates vs. payment initiation.

Train employees to recognize payment fraud schemes.

It is imperative to review current fraud monitoring tools and identify gaps.

- Assess whether your technology supports risk-based monitoring.
- Update internal procedures and train staff on new expectations.
- Confirm vendor and partner processes align with the upcoming rules.
- Establish a process for ongoing review and updates.

2. Company Entry Description Requirements

Effective March 20, 2026

Summary

The Rules will require your organization to use standardized Company Entry Descriptions for certain types of transactions to improve transparency and support fraud monitoring.

Details

- The description "PAYROLL" must be used for PPD credit entries paying wages, salaries, or other compensation.
- The description "PURCHASE" must be used for e-commerce debit entries, defined as a debit entry authorized by a consumer receiver for the online purchase of goods.

Impact

Originators and Third-Party Senders must review the Company Entry Descriptions used in ACH files and update them as necessary to meet these requirements. Standardized descriptions will support improved fraud detection and monitoring. Originators may begin using these descriptions immediately but must comply no later than the effective date.

What This Means for Your Organization

To ensure your ACH activity continues without disruption, we encourage you to:

- Review and update ACH templates to ensure accurate names, account numbers, and entry descriptions.
- Confirm vendor/ third parties software used to create ACH files comply with rules.

Why These Changes Matter

The 2026 Nacha updates are designed to reduce fraud and unauthorized activity, improve clarity for payment recipients, promote consistent compliance among ACH Originators, and strengthen the overall integrity and security of the ACH Network.

We encourage you to review your ACH policies, procedures, and internal controls to ensure readiness prior to the applicable effective date. If you have questions regarding how these changes may affect your organization, visit nacha.org/newrules for more details.

Sincerely,

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