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Special Release

Regulation CC Changes Finalized Eight Years Later

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You may recall a 2017 [article](#) discussing the long-awaited Regulation CC changes which, after reading, we found out were not the changes compliance professionals were waiting for.

Well, wait no longer! Like St. Louis Blues fans, the day you've been waiting for has arrived! OK, that's a lot of excitement for Regulation CC, but it has been EIGHT years...

These new changes will be effective July 1, 2020. In July 2020, the Regulation CC dollar thresholds will adjust every five years based on changes to the Consumer Price Index (CPI) similar to current annual changes in Regulations M and Z, rounded to the nearest \$25. The amounts include:

- the minimum amount of deposited funds that banks must make available for withdrawal by opening of business on the next day for certain check deposits ("minimum amount," currently \$200, increasing to \$225);
- the amount a bank must make available when using the permissive adjustment to the funds-availability rules for withdrawals by cash or other means after 5:00pm ("cash withdrawal amount," currently \$400, increasing to \$450);
- the amount of funds deposited by certain checks in a new account that are subject to next-day availability ("new-account amount," currently \$5,000, going up to \$5,525);
- the threshold for using an exception to the funds-availability schedules if the aggregate amount of checks on any one banking day exceed the threshold amount ("large-deposit threshold," currently \$5,000, increasing to \$5,525);
- the threshold for determining whether an account has been repeatedly overdrawn ("repeatedly overdrawn threshold," currently \$5,000, increasing to \$5,525); and
- the civil liability amounts for failing to comply with the EFA Act's requirements (currently "not less than \$100 nor greater than \$1,000" for an individual action and "not more than \$500,000 or 1 percent of the net worth," and the amount goes to \$1,100 and \$552,500).



The changes effective 60 days after publication in the Federal Register include:

- Stipulating the definition of ATM applies only to ATMs located in the United States.
- Adds Trust Territory of the Pacific Islands and any other territory of the United States to the definition of “State.”
- Adding American Samoa, the Commonwealth of the Northern Mariana Islands and Guam to the current list including Alaska, Hawaii, Puerto Rico, and the U.S. Virgin Islands as the places able to add an extra day to the availability of deposit schedule for funds deposited in an account at a branch of a depository bank if the branch is located in those areas and also adds those locations to the definitions of “State” and “United States.”
 - Adding an additional day does NOT apply to banks located in the contiguous 48 states.

One item which is required by statute and was unable to be amended by regulation was the requirement to provide a change in terms notice under 229.18(e) to accountholders at least 30 days before implementing a change to the bank's availability policy, except that a change that expedites the availability of funds may be disclosed not later than 30 days after implementation.

So, we have a little time to plan and implement these changes. If you need assistance in implementing these or any compliance changes, please contact TCA at info@tcaregs.com or (800) 934-7347 as TCA is A Better Way to move toward compliance.

TCA – A Better Way!