



The Federal Reserve Board

Check Clearing for the 21st Century Act

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The Check Clearing for the 21st Century Act (Check 21) was signed into law on October 28, 2003, and became effective on October 28, 2004. Check 21 is designed to foster innovation in the payments system and to enhance its efficiency by reducing some of the legal impediments to check truncation. The law facilitates check truncation by creating a new negotiable instrument called a substitute check, which permits banks to truncate original checks, to process check information electronically, and to deliver substitute checks to banks that want to continue receiving paper checks. A substitute check is the legal equivalent of the original check and includes all the information contained on the original check. The law does not require banks to accept checks in electronic form nor does it require banks to use the new authority granted by the Act to create substitute checks.

The Federal Reserve Board has released the final rule to implement Check 21, including the model disclosure language for depository institutions to use in notifying consumers of their rights under the law.

- [Final Amendments to Regulation CC to Implement the Check Clearing for the 21st Century Act](#)

Additional information regarding Check 21:

- [Report to the Congress on the Check Clearing for the 21st Century Act of 2003 \(491KB PDF\)](#)
- [Consumer Guide to Check 21 and Substitute Checks](#)
- [What You Should Know About Your Checks](#)
- [Board announces final amendments to Regulation J](#)
- [Request for comment on amendments to Regulation J](#)
- [Proposed Rule to Implement the Check Clearing for the 21st Century Act](#)
- [Check Clearing for the 21st Century Act \(Check 21\); PL 108-100, enacted October 28, 2003 \(71KB PDF\)](#)
- [Conference Report \(92KB PDF\)](#)
- [Report of the Senate Banking Committee \(48KB PDF\)](#)
- [Report of the House Committee on Financial Services \(90KB PDF\)](#)

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Last update: April 24, 2007