



A Comprehensive Look at the U.S. Faster Payments Landscape for Optimal Operation

Table of Contents

Executive Summary.....	3
Introduction.....	4
Detailed Rail-by-Rail Comparison Table.....	4
Faster Payments Use Cases.....	5
The Choices	6
FedNow® Service: Public Sector Instant Payments.....	6
The RTP® Network: The Private-Sector Counterpart.....	7
Visa® Direct: Push-to-Card at Scale.....	7
Mastercard Send™: A Parallel Push-Payments Platform	9
Same Day ACH	9
Stablecoins: On-Chain Dollar Liquidity.....	10
Tokenized Deposits: Programmable Bank Money.....	11
Payment Rail Characteristics Comparison.....	11
Push Versus Pull: Control, Risk, and Customer Experience	11
Settlement Models: Real-Time Gross Settlement Versus Deferred Net	12
Funds Availability: Speed Versus Certainty.....	13
Transaction Limits: Signals of Intended Use	13
Messaging Standards and Data Richness.....	13
Interoperability: A Fragmented Landscape	14
Liquidity Management: Where the Real Work Happens.....	15
Fraud Management: Prevention & Mitigation.....	15
Governance, Compliance, and Oversight.....	16
Programmability and the Future of Payments.....	16
Strategic Conclusion: From Rails to Orchestration.....	17
The Path Forward: Investment & Prioritization.....	17
Final Takeaway	17
Acknowledgements.....	18
References.....	19

Executive Summary

The U.S. faster payments landscape spans multiple rails: FedNow® Service, The Clearing House RTP® Network, Visa® Direct, Mastercard Send™, Same Day ACH, stablecoins, and tokenized deposits. This report compares them across settlement, finality, speed, limits, fraud, and governance.

The FedNow Service and RTP Network form the domestic instant-settlement backbone. Visa Direct and Mastercard Send lead consumer disbursements over the card networks. Same Day ACH remains a high-volume workhorse for batch payments. Stablecoins and tokenized deposits are introducing programmable, borderless capabilities under emerging regulation.

This report unpacks where each rail fits, where it does not, and why no single rail will serve every use case.

This report is provided for informational and comparative purposes only and does not constitute legal, compliance, or financial advice. Organizations should consult their own professional advisors regarding any implementation decisions. Information is current as of the publication date.

The Clearing House Payments Company LLC did not prepare this document. The Clearing House is not responsible for inaccuracies about the RTP® network, applicable laws, and regulations relevant to instant payments, or payment systems in general.

Introduction

The U.S. payments system is in the middle of its most significant transformation in decades. For years, infrastructure has been anchored in ACH, checks, and card networks. Systems were built for a batch-based, five-day workweek world. Today, customers and businesses increasingly expect 24x7, always-on money movement that looks and feels as immediate as sending a text message.

Faster payments is often treated as a single capability or rail. In practice, the U.S. payments ecosystem includes several distinct models, each designed for different use cases, risk profiles, regulatory frameworks, and economic tradeoffs.

The FedNow Service, RTP Network, Same Day ACH, push-to-card (e.g., Visa Direct and Mastercard Send), and emerging rails such as stablecoins and tokenized deposits, differ in how value moves, how it settles, how final it is, how liquidity is managed, and who ultimately bears risk.

These differences are not academic. They directly impact fraud exposure, customer experience, balance sheet management, compliance obligations, and the ability to support new business models.

Detailed Rail-by-Rail Comparison

Dimension	FedNow Service	RTP Network	Visa Direct	Mastercard Send	Same Day ACH	Stablecoins	Tokenized Deposits
Type	A2A instant RTGS	A2A instant RTGS	Push-to-card/ account	Push-to-card/ account	Pull/Push Deferred Net	On-chain tokenized cash	On-chain bank deposits
Settlement	RTGS	RTGS	Deferred Net	Deferred Net	Deferred Net	RTGS	RTGS
Finality	Final & Irrevocable	Final & Irrevocable	Reversible for exceptions	Reversible for exceptions	Reversible/ Disputable	Final & Irrevocable	Final & Irrevocable
Speed	Seconds	Seconds	Minutes	Minutes	Hours	Seconds	Seconds
Trans. Limit	\$10M	\$10M	\$50k per OCT	Varies by use case (\$10k- \$50k)	\$1M	Unlimited	Unlimited
Standard	ISO 20022	ISO 20022	ISO 8583	ISO 8583	Nacha	None (some ISO 20022)	None (some ISO 20022)
Message Size	25,000 chars	Not disclosed by The Clearing House	Varies	Varies	Varies	Off-chain unlimited	Off-chain unlimited
Governance	Federal Reserve	TCH	Visa Network	Mastercard Network	Nacha	GENIUS Act (Evolving)	Bank Regulation

Dimension	FedNow Service	RTP Network	Visa Direct	Mastercard Send	Same Day ACH	Stablecoins	Tokenized Deposits
Programmable	External only	External only	External only	External only	External only	Native Smart Contracts	Native Smart Contracts
Fraud Management	Fraud Detection and Mitigation ¹	Controlled by offering FIs	Fraud Detection & Mitigation	Fraud Detection & Mitigation	Established rules & best practices	Evolving	Established AML / KYC and sanctions screening

References related to the above table are detailed below in subsections for various dimensions.

Faster Payments Use Cases

Use Case	Value Proposition (Why Faster Payments Win)	Traction and Real-World Examples (2025)
Gig & Earned Wage Access (EWA)	Workers want pay as soon as a shift ends rather than a week later.	DailyPay, Branch, Uber, Lyft, DoorDash offer instant or same day payout. Roughly 65% of gig workers now expect an instant pay option. ²
Insurance Claim Payouts	Policyholders expect funds within hours after an accident or storm rather than weeks.	Allstate, Geico, Progressive, and others now support instant claims. More than 30% of claim payouts use faster payment rails. ³
B2B Urgent & Just in Time Payments	Avoid supply chain disruption by paying suppliers the moment goods are delivered, or invoices are approved rather than waiting for batch ACH.	Projections anticipate that instant payments in the B2B space will reach 42% of all cross-border payments by 2028, at \$16 trillion. Large firms such as Cisco, IBM, and Walmart are using RTP for same day vendor payments. ⁴
Treasury and Cash Concentration	Corporates sweep idle balances from many accounts into a single yield bearing account in real time.	Large corporates move billions nightly over RTP and the FedNow Service to reduce idle cash drag and improve liquidity management.
A2A Consumer Bill Pay	Members pay rent, utilities, and mortgages directly from bank to bank with immediate finality and fewer card or interchange fees.	ACH remains one of the more popular forms of bill pay, however, institutions offering Bill Pay over instant payment rails (RTP and the FedNow Service) grew significantly in 2025. ^{5,6}
Emergency & Government Disbursements	Federal, state, and local government organizations can deliver and receive funds to/from constituents and other stakeholders immediately.	U.S. Treasury added FedNow as a payment option in its Digital Payout Program, enabling instant agency disbursements, including FEMA disaster relief programs.
Pay by Bank for Commerce	Shifts checkout from cards to direct bank payments, so merchants save 150 to 300 basis points on fees while still improving checkout.	Large platforms such as Amazon, Shopify, Stripe, and Adyen introduced Pay by Bank buttons.
Request for Payment (RfP)	A structured request message triggers an instant payment as soon as the member approves, replacing manual invoicing and reconciliation work	RfP can increase settlement speed by orders of magnitude — from multi-day processes to near-instant — compared to sending a traditional invoice and waiting for payment.
Loan & Credit Disbursements	Personal loans, home equity lines, and By Now Pay Later (BNPL) advances fund in seconds rather than one or two business days which boosts satisfaction.	Lenders now fund loans over RTP and the FedNow Service, so borrowers see funds in less than 10 seconds in many programs.
Wealth & Brokerage Sweeps	Cash moves in real time between checking and brokerage for trading or yield optimization without waiting for traditional ACH settlement.	Brokerages such as Robinhood, Fidelity, and Schwab support faster payment powered sweeps so investors can deploy funds the same day.

FedNow® Service: Public Sector Instant Payments

The FedNow Service is the Federal Reserve's real-time gross settlement (RTGS) system for instant payments. Launched in July 2023, it enables financial institutions to send and receive customer credit transfers, payment returns, nonvalue messages such as Request for Payment (RfP), and FI-to-FI liquidity management transfers with immediate finality, 24x7x365. The FedNow Service's latest figures show significant growth in both volume and participation, with 8,413,402 settled payments in 2025 and approximately 1,750 financial institutions live on the service as of this publication.⁷

Effective November 12, 2025, the FedNow Service transaction limit for customer credit transfers and payment returns increased from \$1 million to \$10 million, and the liquidity management transfer limit rose from \$2.5 million to \$10 million.⁸ These higher ceilings clearly indicate that the service is meant not only for small-dollar P2P transfers but also for higher-value corporate and treasury use cases. As more core processors and vendors build FedNow connectivity into their offerings, the barrier to entry for community banks and credit unions will continue to fall.

Beyond instant credit transfers, the FedNow Service gives financial institutions a broader operational foundation: FI-to-FI liquidity management transfers, ISO 20022 Request for Payment messaging, and a growing suite of APIs, including Participant List, Account Balance, and the newly introduced Network Intelligence API.⁹ These capabilities support automation, real-time liquidity visibility, improved fraud prevention, and more efficient operational workflows. The FedNow Service also plays a role in public-sector disbursements, including U.S. Treasury Digital Payout activities such as emergency and disaster relief. Together, these features offer institutions meaningful operational, risk-management, and customer-experience value as they expand into 24x7 real-time services.

The FedNow Service is associated with strong settlement certainty and institutional familiarity. Its pricing model is straightforward: a modest monthly participation fee per routing number and a low per-transaction fee. For many institutions, the network fee itself is nominal compared with card interchange or wires; the real cost lies in the internal work of supporting true 24x7 operations, risk management, liquidity, reconciliation, and service-provider costs.

Adoption of the FedNow Service follows a familiar pattern for payment-infrastructure modernization; the considerations it raises are not unique to FedNow. Because the FedNow Service and RTP are not currently interoperable, institutions weigh whether to operate on a single rail or build connectivity to both for broader coverage and resiliency. The operational requirements of always-on instant payments—24x7 fraud management, posting, liquidity management, reconciliation, and staffing—apply to any real-time rail, not to the FedNow Service alone. Institutions that establish these capabilities often use the same operational foundation for both the FedNow Service and RTP, which can moderate the incremental effort of supporting multiple rails.

The RTP® Network: The Private-Sector Counterpart

The RTP Network, operated by The Clearing House, has been live since 2017 and is the most mature instant account-to-account (A2A) rail in the U.S. In the second quarter of 2026, the network processed 142 million transactions totaling \$576 billion, and it had more than 1,280 participating financial institutions as of June 2026.¹⁰ RTP also operates 24x7x365, using a prefunded real-time gross settlement (RTGS) model where payments settle in seconds and cannot be reversed. RTP supports payments up to \$10 million—making it valuable for corporate use cases, business bill payments, and treasury applications.

One of RTP's practical advantages is that it is embedded in many bank and fintech ecosystems. Zelle, for example, can route settlement over RTP, which means a large share of consumer peer-to-peer (P2P) transactions already depend on it behind the scenes. Like the FedNow Service, RTP also supports ISO 20022 Request for Payment.

However, RTP's ownership model is a unique industry dynamic. Because The Clearing House is owned by a consortium of financial institutions, policymakers closely follow governance and market considerations, even though RTP has worked hard to offer uniform pricing without volume discounts or minimums. Like the FedNow Service, RTP is not interoperable with other instant rails, so any institution focused on long-term resiliency and reach is increasingly looking at a dual-rail strategy: RTP plus the FedNow Service, orchestrated by a payment hub or middleware layer.

From an economic perspective, RTP sits in the same cost band as the FedNow Service: low network fees per transaction, with institutions often choosing to offer consumer experiences like instant P2P and real-time bill pay at little or no explicit charge. Banks and credit unions tend to monetize RTP more indirectly via deeper relationships, migration away from checks and wires, better cash management for businesses, and improved stickiness.

Visa® Direct: Push-to-Card at Scale

Visa Direct sits in a different category. It is not an A2A rail, but a push-to-card and push-to-account platform running over the Visa network. Conceptually, it takes the card rails we know from card-present and e-commerce transactions and turns them into a vehicle for sending funds to the debit cardholder, rather than pulling funds from them.

The appeal of Visa Direct is reach and convenience. A large portion of the world's consumers already have a debit card, which means instant or near-instant payouts can be delivered with minimal friction. That makes Visa Direct particularly attractive for gig-worker payouts, gaming and marketplace settlements, insurance claims, lender disbursements, and cross-border remittances.

In many of these contexts, “I want the funds right now, to my card” is the dominant user story. Additionally, it is quicker and easier for many consumers to access and provide their debit card number than their bank routing and account numbers, amplifying the convenience factor for many. Leveraging the existing debit card networks enables immediate interoperability and embedded network effects without requiring new distribution infrastructure. However, eligibility is constrained by network rules, which generally limit push payments to consumer and small business debit card credentials.

For debit cards linked to demand deposit accounts, funds are made available to the recipient account in near real-time. Interbank settlement, however, occurs on a net deferred basis in alignment with standard debit network clearing cycles. Prepaid debit cards that are not directly linked to a traditional bank account are also supported, subject to issuer participation and program configuration. Visa Direct is beginning to support stablecoin-based funding, converting those digital assets into fiat for card-based disbursement. On the receiving side, it is also expanding capabilities to enable funds to be delivered directly into linked stablecoin wallets.

The trade-off is cost. Many consumer-facing programs that rely on Visa Direct, like the “instant withdrawal” options in various apps, are charging percentage-based fees. These economics reflect a premium compared to fixed fee alternatives, especially for higher transaction amounts, but the comparison is not apples to apples. Visa Direct sells both speed and global (or at least cross-border) reach, along with sophisticated fraud and compliance tooling built on top of VisaNet.

For issuers and program sponsors, Visa Direct can be attractive because payouts to a debit card often translate into increased card usage and interchange revenue on that same card. The underlying network fees are negotiated, contract-based, and layered with processor and issuer mark-ups. As a result, Visa Direct tends to be deployed where an institution is comfortable charging for “instant” and where card-centric journeys dominate, rather than as a general-purpose alternative to A2A rails.

The fee structure for push payments differs materially from traditional card models. In most use cases, the sender is a business or merchant disbursing funds, therefore bearing the transaction fee. On the receiving side, fees tend to align with the specific use case and value proposition. For example, in gig economy scenarios, recipients may pay a fee for immediate access to funds, reflecting a “pay me instantly” premium. In contrast, for insurance disbursements, fees are less commonly passed to the recipient, as the payment is positioned primarily as a customer experience and service enhancement. Additional fees may also vary based on the destination account type, such as prepaid versus debit, or when the transaction effectively functions as a cash-out mechanism.

Mastercard Send™: A Parallel Push-Payments Platform

Mastercard Send plays a similar role in the ecosystem. It enables push-to-card and push-to-account disbursements over the Mastercard network, targeting many of the same use cases as Visa Direct: loan payouts, insurance reimbursements, gig-economy earnings, marketplace settlements, and cross-border transfers. It also has the same limited push to use for consumers and small businesses, immediate funds availability with deferred net settlement, and prepaid debit card support.¹¹ Mastercard is also integrating stablecoins into their origination and destination points.

From a bank or credit union perspective, the economic and strategic considerations are almost parallel. Mastercard Send offers strong global reach, excellent fit for disbursement use cases, and a mature set of tools for risk, fraud, and compliance. Like Visa Direct, it operates on a program-based pricing model, with network fees layered together with processor charges and FI or fintech mark-ups. Consumer-facing programs often charge a percentage of the transaction for instant access to funds. Similar to Visa Direct, Mastercard Send follows a push payment model in which originators pay fees to transmit funds across the network.

Same Day ACH

Same Day ACH is an important enhancement to the legacy ACH network. It accelerates batch processing, but does not provide the real time, 24x7 irrevocable settlement capabilities required for modern use cases. While Same Day ACH remains vital for batch processing, relying on it exclusively may create gaps in matching the immediate expectations established by newer rails like RTP, the FedNow Service, card push payments, or digital asset rails like stablecoins. It is more of a bridge between legacy ACH and instant payment rails. ACH transactions can be returned as well as reversed, which makes these different from other rails.

The costs for using ACH typically varies for Same Day ACH. There can be costs on the sending as well as the receiving side, and in many cases, these can be free or at a low cost. In other cases, some services charge a percentage of the amount, with a capped fee versus otherwise fixed fees per transaction. These can be additional fees for the optional addenda records in the ACH formatted records. Different types of ACHs, called entry classes, can come with different fees.

Same Day ACH dollar limit is \$1 million per payment.¹² Standard ACH is only limited to the fixed number of characters (10) allocated in the transaction record format which includes two digits for the decimal, so the largest physical amount is \$99,999,999.99, but all institutions limit their customers based on risk and other factors.

Stablecoins: On-Chain Dollar Liquidity

Stablecoins are digital tokens designed to maintain a stable value relative to a reference asset (usually the U.S. dollar) by holding reserves in short-term Treasuries and other high-quality liquid assets. Over the past few years, they have evolved from a niche crypto trading instrument into a major payments rail.

By late 2025, total U.S. dollar stablecoin supply exceeded \$310 billion. On-chain transaction volume reached roughly \$63 trillion in the past 12 months (\$12 trillion in adjusted (not crypto-trading) payment volume).¹³ At that scale, stablecoins functionally operate like a large, always-on alternative payments and settlement layer for dollars.

The primary advantage of stablecoins is that they are inherently 24x7 and borderless, versus other instant payment rails currently limited to domestic payments. Transfers settle in seconds, often at very low blockchain network costs called gas fees. They are also fully programmable. Smart contracts enable conditional payments, escrow, streaming payments, automated liquidity management, and a host of other capabilities that are difficult to replicate in traditional rails.

This is precisely why stablecoins are drawing so much regulatory and policy attention. On the one hand, they help extend the reach of the dollar into markets where local banking systems may be limited or where capital controls are restrictive. On the other hand, they raise questions about issuer risk, operational resilience, and the potential for large-scale migration of deposits out of the regulated banking system and into potentially high-yield token reserves.

For end users, the economics of stablecoin payments are shaped by network gas fees and by foreign exchange (FX)-like spreads and fees at on and off ramps. For issuers, the model looks very much like a narrow bank or money market fund: yield is earned on reserves, from which operating costs, risk management, and compliance are paid. Issuance is not limited to banks, though per the GENIUS Act, non-bank issuers can be state regulated while banks can be regulated under state or federal jurisdiction depending on their size.¹⁴

For banks and credit unions choosing to participate (as custodians, on and off ramps, or even as issuers) the strategic question is how to engage in a way that complements their balance sheet and customer/member strategy, rather than undermines it.

Tokenized Deposits: Programmable Bank Money

Tokenized deposits push some of the benefits of stablecoins into the regulated banking space. The concept is straightforward: instead of issuing tokens backed by a segregated reserve fund, the bank tokenizes claims on its own balance sheet deposits. The liability remains a deposit, subject to existing regulation and, where applicable, deposit insurance. The form factor changes; the legal nature of the claim does not.

From the perspective of central banks and standard-setters, tokenized deposits are an attractive model for integrating money into programmable environments. The Bank for International Settlements and others have argued that tokenized deposits, combined with a wholesale central bank digital currency (CBDC), could form the backbone of a “next-generation monetary system” in which payments, settlement, and asset transfers are all orchestrated via smart contracts.¹⁵

In practice, tokenized deposits are still in the early pilot and experimentation stage. Most initiatives to date have taken place in consortia, sandbox environments, or capital markets contexts. Interoperability remains an open design challenge: without shared standards or operation on private blockchain platforms, tokenized deposits risk becoming fragmented across private chains and vendor ecosystems.

The implementation burden is also non-trivial. Banks must stand up secure private blockchain platforms, integrate them with core systems, design new governance processes, and ensure that cybersecurity and operational resilience standards are met. However, once the infrastructure is in place, the marginal cost per transaction is typically low. Pricing for consumers would likely mirror existing deposit account structures rather than explicit “token usage” fees, at least initially.

JPMorgan Chase has taken tokenized deposits a step further, where they have also recorded claims on private chain tokenized deposits on public blockchains where they can be used more openly like stablecoins. These are called deposit tokens.¹⁶

Payment Rail Characteristics Comparison

Push Versus Pull: Control, Risk, and Customer Experience

One of the most important structural distinctions across payment rails is whether transactions are push-based or pull-based.

Push systems such as the FedNow Service, RTP, push-to-card networks, stablecoins, and tokenized deposits place control with the sender. Funds move only when the payer initiates the transaction, which significantly reduces unauthorized debit risk. This is one of the primary reasons that instant rails have gained traction for disbursements, payroll, insurance claims, and account-to-account transfers.

Same Day ACH remains unique in supporting both pull and push use cases. That flexibility enables broad use case coverage, but it also preserves legacy risk dynamics such as returns, recalls, and disputes. From a fraud and risk perspective, the shift from pull to push is one of the most consequential changes in modern payments, even more impactful than speed alone.

Settlement Models: Real-Time Gross Settlement Versus Deferred Net

Settlement architecture defines when money is final at the interbank level.

The FedNow Service, RTP, stablecoins, and tokenized deposits operate on real-time gross settlement (RTGS) models, where each transaction settles individually with immediate finality. This sharply reduces credit exposure between participants but requires continuous liquidity availability.

Push-to-card networks and Same Day ACH rely on deferred net settlement, where obligations accumulate and are settled later in batches. This model is operationally efficient and familiar, but it introduces settlement risk and timing mismatches that must be managed through prefunding, risk controls, and network rules.

The distinction matters most in stress scenarios. RTGS systems favor resilience and certainty, while deferred net systems favor scale and efficiency. A defining feature of modern instant or near instant payment rails is true finality. The FedNow Service, RTP, stablecoins, and tokenized deposits are designed to be final and irrevocable once posted. Errors and fraud are addressed through separate refund or remediation processes, not transaction reversal. This represents a profound shift from ACH and card dispute models and requires both institutions and customers to adapt expectations and controls.

Push-to-card networks occupy a gray area. While funds availability is near instant, the underlying card ecosystem historically supports chargebacks and disputes. The precise boundaries of reversibility depend on network rules, program design, and issuer policies. Same Day ACH remains fully reversible and disputable within defined windows, preserving consumer protections but also prolonging settlement uncertainty.

Funds Availability: Speed Versus Certainty

Speed is often the headline feature of faster payments, but timing of funds availability must be evaluated alongside settlement certainty.

- **FedNow Service and RTP Network:** Make funds available in seconds, with settlement occurring simultaneously or effectively simultaneously.
- **Stablecoins and Tokenized Deposits:** Similarly provide availability within seconds.
- **Push-to-card payments:** Typically post within minutes, though settlement finality lags.
- **Same Day ACH:** Accelerates availability relative to legacy ACH, but still depends on submission timing and settlement windows, making it closer to hours than seconds.

For consumers, the difference may feel incremental. For businesses managing liquidity, payroll, or just-in-time inventory, the difference can be decisive.

Transaction Limits: Signals of Intended Use

Per-transaction limits offer insight into how each rail is intended to be used.

- **FedNow Service and RTP Network:** Supporting transactions up to \$10 million signals a deliberate move beyond P2P into treasury, B2B, and high-value commercial use cases.¹⁷
- **Push-to-card networks:** Impose materially lower per-transaction limits, reinforcing their role in consumer payouts and Small Medium Business (SMB) disbursements rather than wholesale money movement. Visa Direct is limited to \$50K per Original Credit Transaction (OCT), while Mastercard Send limits vary from \$10K (P2P) to \$50K (B2C).¹⁸
- **Same Day ACH:** Sits in between with a \$1 million limit.¹⁹
- **Stablecoins and Tokenized Deposits:** Currently operate without intrinsic transaction caps, constrained instead by compliance, liquidity, and platform risk management.

Messaging Standards and Data Richness

Modern payments are increasingly about data, not just dollars.

- **FedNow Service and RTP Network:** Leverage ISO 20022, enabling rich structured data, remittance information, and advanced reconciliation through Cash Management (CAMT) and Payments Clearing and Settlement (PACS) messages. It also supports request for payment messages through its Payments Initiation (PAIN) messages. The FedNow Service supports up to 25,000 characters.²⁰ The Clearing House hasn't disclosed the max message size for RTP. The RTP Network supports up to 140 characters for unstructured remittance and up to 4,000 characters for structured remittance (via stand-alone remittance advice - remt.001 message²¹)

- **Same Day ACH:** Relies on Nacha formats that, while highly scalable, are structurally constrained and batch-oriented.
 - ACH uses a 94-character per record fixed format data element. Each record has a type and structure starting with a file header, batch header, batch detail records, and detail addenda records. Each record type has its own specific data field elements. Each batch of detail records has some variations of the data elements specific to what is called the “ACH Entry Class.”
 - The 7-digit batch number field effectively limits the number of batches per file. Each batch record can contain any number of detailed records. Addenda records are optional and are limited to just one for all entry classes except for the CTX entry class. The addenda records use 80 of the 94-character record for free formatted text that can be used for a variety of purposes, such as providing transaction reference reconciliation data. There is a limit of 9999 addenda per detail record. Some financial institutions support an Extensible Markup Language (XML) version of the fixed format.²²
 - ACH provides structured file and batch status data back using the same 94-character fixed file format. This file also contains any returned transaction details where addenda records indicate the issues with posting, such as non-sufficient funds or incorrect routing/account numbers. This is a key difference from the other rails, which all have instant validation per transaction versus the batch orientation of ACH. Another difference is that returned data can take days.
- **Push-to-card networks:** Use ISO 8583 based messaging, optimized for authorization and posting rather than remittance detail.²³
- **Stablecoins and Tokenized Deposits:** Unique in that on-chain data is minimal by design, but off-chain metadata can be virtually unlimited. This decoupling creates both opportunity and complexity for reconciliation and compliance.

Interoperability: A Fragmented Landscape

While sharing similar objectives, instant payment networks in the U.S. operate on independent infrastructures.

- **FedNow Service and RTP Network:** Operate as separate, independent clearing and settlement networks.
- **Push-to-card networks:** Interoperate broadly within the card ecosystem.
- **Same Day ACH:** Remains universally reachable across participating institutions.

- **Stablecoins and Tokenized Deposits:** Introduce distinct ecosystems, where connectivity relies on blockchain bridges, standards alignment, and governance models that are still evolving.

This landscape makes payment orchestration layers and hubs increasingly critical.

Liquidity Management: Where the Real Work Happens

Liquidity management is often the hidden cost of faster payments.

- **FedNow Service and Same Day ACH:** Rely on Federal Reserve master accounts, with intraday credit and Fedwire supporting liquidity movements.
- **RTP Network:** Requires prefunding held in a joint Federal Reserve account, shifting liquidity planning upstream.
- **Push-to-card networks:** Require prefunding at the network or processor level, with wires and instant payments used to rebalance positions.
- **Stablecoins:** Introduce a fundamentally different model, based on high-quality liquid reserves (100%+ in short-term Treasuries, repos, reverse repos, or cash deposits), redemption planning, and sometimes third-party liquidity partners.
- **Tokenized Deposits:** Leverage existing fractional reserve bank liquidity frameworks but must extend them into always-on environments.

Fraud Management: Prevention & Mitigation

Fraud management is a critical component to consider for evolving irrevocable faster payment methods that are facing new attack vectors of increasing sophistication. For example:

- **FedNow Service** provides fraud classifiers, scam classifiers, and negative list capabilities.²⁴
- **RTP Network** fraud management is controlled by offering financial institutions.
- **Push-to-card** transactions benefit from decades of card network expertise in fraud management.
- **Same Day ACH** has established rules and best practices.
- **Stablecoins** are gaining traction. Their underlying payment fraud management capabilities have only just started and must further evolve to embed similarly robust fraud mitigation tools. This includes integrating real-time monitoring, tokenized identity verification, and compliance with anti-money laundering (AML) and know your customer (KYC) frameworks within blockchain environments.

- While the transparency and traceability of blockchain payments offer new opportunities for fraud detection, challenges remain in adapting traditional controls to decentralized or permissioned networks. Development of interoperable standards and embedded governance will be essential to ensure stablecoins and tokenized deposits can at least match the fraud controls and resiliency of established payment systems, safeguarding both institutions and end users.
- **Tokenized Deposits** use established AML and KYC and sanctions screening.

Governance, Compliance, and Oversight

Faster payment rails benefit from decades of established governance and regulatory clarity, while emerging digital options transition into formalized oversight frameworks.

- **FedNow Service:** The Federal Reserve Banks operate the FedNow Service under the oversight of the Board of Governors of the Federal Reserve. Subpart C to Federal Reserve Regulation J (12 C.F.R. part 210) governs funds transfers through the FedNow Service. Subpart C of Regulation J adopts Article 4A of the Uniform Commercial Code, which is set out as Appendix A to the regulation. The Reserve Banks issued Operating Circular 8²⁵ which contains detailed requirements related to participation in the FedNow Service.
- **RTP Network:** Governed by The Clearing House rules and service line agreements (SLAs).²⁶
- **Same Day ACH:** Governed by Nacha.
- **Push-to-card networks:** Governed by card network rules refined over decades.
- **Stablecoins and Tokenized Deposits:** Remain in transition. Legislative frameworks such as the GENIUS Act establish baseline requirements for stablecoins, but operational standards and industry governance are still emerging.²⁷

Programmability and the Future of Payments

Perhaps the most strategic distinction across rails is programmability.

Faster payment rails (the FedNow Service, RTP, Same Day ACH, Push-to-card) support limited external programmability but none natively in-network. Stablecoins and tokenized deposits support native, on-chain programmability through smart contracts, enabling conditional payments, automated settlement, and new financial products. This capability is less about replacing existing rails and more about expanding what money itself can do.

Strategic Conclusion: From Rails to Orchestration

The U.S. payment ecosystem has moved past the era of a single, dominant rail. As we have seen, the landscape is now a specialized mosaic where the FedNow Service and RTP provide the domestic RTGS backbone, Visa Direct and Mastercard Send capture the disbursement and card-linked markets, and stablecoins extend the dollar's reach into programmable, global environments.

The Path Forward: Investment & Prioritization

For financial institutions and corporates, the limitations of any single rail (such as limited interoperability between the FedNow Service and RTP or the settlement timing in push-to-card networks) can help highlight the value of payment orchestration.

To maintain a competitive edge, organizations must prioritize:

- Dual-Rail Resiliency: Moving beyond a single-rail choice to implement both the FedNow Service and RTP to ensure broad reach and redundancy.
- Data-First Infrastructure: Investing in ISO 20022 capabilities to leverage the richer data that sets modern rails apart from legacy ACH.
- Risk-Based Routing: Developing intelligent gateways that route transactions based on the specific need for speed (seconds vs. hours), cost (fixed vs. percentage-based), and finality.

Final Takeaway

Beyond domestic transactions, cross-border instant payments are emerging as a critical focus area for both the Federal Reserve and The Clearing House. While the FedNow Service and RTP Network continue to gain adoption as the preferred rails for domestic, instant A2A payments, Visa Direct and Mastercard Send remain economically compelling where global reach, card-linked experiences, and disbursement economics matter more than per-item cost. Stablecoins and tokenized deposits are carving out a distinct role: programmable, borderless settlement. And rail selection is increasingly shaped not just by economics, but by user experience and receiver behavior.

True transformation is not the speed of money — it is the intelligence of the movement. Success in this era will be defined by those who move beyond treating these rails as silos and start operating them as a unified, programmable liquidity network — moving funds with the precision, data, and 24x7 reliability a modern economy now treats as baseline.

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About the Faster Payments Council and Digital Assets Work Group

The Faster Payments Council (FPC) is an industry-led membership organization whose vision is a world-class payment system where Americans can safely and securely pay anyone, anywhere, at any time and with near-immediate funds availability. To further this vision, the Faster Payments Council established the Digital Assets in the Financial Industry Work Group to map out how digital assets relate to the financial industry, focusing specifically on payments made with digital funds – central bank digital currency (CBDC), regulated liabilities and stablecoin.

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