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### Chapter 11 Exercise

Check 21 is a federal law active since 2004 that was made to facilitate easier and more economical handling of electronic checks for banks. Previously, paper checks had to be physically transported from bank to bank to be deposited, and this process could be slow, costly, and inefficient. With Check 21, banks were able to electronically transmit check information by taking a picture of both sides of the check along with the payment information. This technology is secure, efficient, and cost-effective, and banks no longer had to worry about the transport process.

This law signified a wider societal transition away from physical/paper media in favor of electronic communication. With technology advancing faster than ever, people began to see how electronic communication had all the capabilities of physical communication, but without the drawbacks that came with it. Transmitting information electronically was virtually instantaneous, cheap, and easy, unlike the clunky and inconvenient process of physically transporting information on paper. The implementation of Check 21 was just one step in the direction towards an efficient technology-based world to make everyone's lives a little easier.

Source: <https://www.federalreserve.gov/paymentsystems/regcc-faq-check21.htm>