



July 23, 2019

Chairman Jerome H. Powell
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

Dear Chairman Powell:

As Chairman of the Board at Central Trust Bank, I'm writing to you to express my support for the Real Time Gross Settlement System (RTGS).

As you are well aware, the Federal Reserve System has been integral to the United States payment systems since its inception in the early 1900s. I believe it is important for the System to maintain its presence and provide the critical infrastructure necessary to support a robust RTGS.

The Federal Reserve System's participation in a RTGS will help promote the interests of the United States and our dual banking system. A robust, secure and efficient payments system, with federal and private operators, is critical to our national economy and national security.

Further, a Federal Reserve RTGS can avoid competitive harm to a private RTGS while also being a check on a potential private monopoly where banks are left reliant on a single private provider. Because of the volumes required for ubiquitous systems and to attain low costs – a private only option could ultimately lead to one provider with no competitive motivation to innovate and maintain service.

Lastly, I believe that direct involvement in RTGS systems is important to assure that the business community has confidence in both the fairness and pricing for our bank sourced payment systems. The Federal Reserve maintains relationships directly or indirectly with all the banks in the United States. No private RTGS alone can reach this level of service.

For the reasons stated, I respectfully ask that the Federal Reserve System move forward as expeditiously as possible to create and implement a RTGS.

Thank you for the opportunity to submit my comments on this important topic.

Sincerely,



Ken Littlefield

CC: Senators Blunt & Hawley