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Proposal: 1433 - Reg. D -(RIN AD83) - Reserve Requirements Of Depository Institutions:
Reserves Simplificatio
Subject: Proposed rules to simplify the administration of reserve requirements and reduce
administrative burd

Comments:

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Proposal: Regulation D - Reserve Requirements of Depository Institutions:
Reserves Simplification and Private Sector Adjustment Factor
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Comments:

Thank you for requesting public comment on proposed amendments to Regulation D, Reserve Requirements of Depository Institutions. As stated in the request, "the proposed amendments are designed to reduce the administrative/operational costs associated with reserve requirements for both depository institutions and the Federal Reserve." We believe the Federal Reserve should take this opportunity to make one simple, significant, additional change in Reg D which will greatly improve financial account management for the American consumer. Today, Regulation D limits the number of "convenient" transfers and withdrawals from savings accounts to not more than six per month. Due to technological advances, the ability for consumers to make payments and transfers online (internet), via telephonic means (phone calls and touch tone voice units), at point-of-sale terminals and through the Automated Clearing House (ACH) has become widely available. The increased use of these electronic, convenience channels has enabled financial institutions to maintain lower costs for delivery of financial services to consumers. The current Reg D "convenient transfer" limitation unnecessarily restricts consumers from being able to easily access their OWN funds for their OWN use. Reg D imposes an undue compliance burden and unnecessary financial costs on both institutions and consumers alike. Financial institutions encourage consumers to use convenient services such as ATMs, internet, and voice response systems to facilitate cost efficient transfer of funds among consumer accounts. The current Reg D recognizes that transactions at ATMs are generally transfers among the depositor's own accounts and does not impose any convenience limitations on ATM transactions. Likewise, preauthorized transfers from a consumer's savings account to the consumer's loan account are not limited in any fashion. Applying this same logic, the Board should consider removing the limitations on internal transfers (payments and deposits) made by consumers among their own accounts within the same financial institution. The unnecessary burden of tracking HOW transfers by consumers are performed between and among their OWN accounts would be eliminated. Consider the rule change as "QE-4" - Qualitative Easing 4 the People! Thank you again for the opportunity to comment on the proposed changes to Regulation D. We look forward to the Board's consideration of these changes to further reduce the administrative and operational costs associated with reserve requirements and the unnecessary

limitation of consumer access to their OWN funds via convenient channels.