

Proposal: 1625 Potential FR Actions to Support Interbank Settlement of Faster Payments

Description:

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From: Wahoo State Bank, Gregory Hohl

Proposal: 1625 Potential FR Actions to Support Interbank Settlement of Faster Payments

Subject: OP-1625 -Potential Federal Reserve Actions to Support Interbank Settlement of Faster Payments

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Comments:

Date: Dec 06, 2018

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Proposal: Potential Federal Reserve Actions to Support Interbank Settlement of Faster Payments [OP-1625]

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Your comment: As a small community bank in rural Nebraska, we are asking and urging the Federal Reserve Bank to take a lead in providing a solution for real time payments. We feel strongly that the payment system needs to stay in the same format as today with payments and settlements taking place directly in FDIC insured financial institutions. A non-bank system whereby payments and funds are held in digital accounts is a formula for disaster in our opinion and will weaken the integrity of our financial system in the U.S. that we currently enjoy. There are also many other equally important reasons that will impact us such as access and cost which would put us at a potential competitive disadvantage. Promoting a diverse and broad financial system with banks of all sizes must be a priority for the Federal Reserve Bank and taking the lead in developing a 24x7x365 Real Time Gross Settlement Service for faster payments is essential to ensuring this will continue. Thank you, Greg Hohl, President