

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

Description:

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From: Community Savings Bank, Michelle Deutmeyer

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:

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

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Your comment:I have been in banking for 30 years and have seen a lot of changes in payments and banking. I am also a mother of 4 sons, ages 16 - 27. I can see first hand the need for banks to offer a uniform and safe form of faster payments. My sons are used to using Venmo and other instant payment forms. I personally have transferred money instantly through Facebook. It was quick and easy. If the Federal Reserve does not step up and become a leader in the faster payment area, they will become outdated and eventually be bypassed entirely.

I am a CFO, I understand the issues of the behind the scenes settlement and funding. But customers do not care about that. I attended the Fed meeting in Cedar Rapids, Iowa. It was very clear that bankers feel we are already behind. managing the funding for 24/7 / 365 has its challenges, but whether it is an overnight overdraft LOC or a separate Fed account, the question is not if we should do it, but when we can make it happen.

If anyone would have said 30 years ago, we would not be sending physical checks anymore or using debit cards and ACH for most of our payments- we would have found it hard to believe. we need to keep moving forward and be proactive to our customers needs and demands, not dragging behind.