

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

Description:

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From: IT, AAP FreedomBank, Krista Fischer

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: First, our bank supports faster payments in order to stay competitive with the current payments industry. It must be a system that is advantageous and affordable for both small community banks and corporate size banks.

Second, the development of a new Fed system to accommodate faster payments must be done quickly and accurately. Does this system need to be built from scratch or could collaborative efforts with Fintech systems that already exist help with the time needed to put this in place? The proposed 3-5 year plan is much too slow.

Third, security is a very big issue as this proposal applies to both consumer and non-consumer payments. There is already fraud in our current "slower moving" system. Specifically, regulations need to change for non-consumer/business accounts when fraud is involved. It is very unrealistic to believe all business account holders can report fraudulent transactions within the second business day in our current payment systems. Regulations need to be changed or developed to accommodate speed.