

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

Description:

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Comment ID: 133289

From: Muenster State Bank, John Bartush

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 14, 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 VP of Muenster State Bank, I would like to support and encourage the Federal Reserve to develop faster payments and ensure that all community banks have universal access to these services. I want The Federal Reserve's clearing and settlement services for check, ACH and wire transfers to support universal access for all financial institutions, including community banks like Muenster State Bank. It's important that these services integrate with our core systems so our customers can have a quicker / real-time experience within our system versus having to use other third party services like Venmo and PayPal. It's important that equitable and universal access to faster payment systems match our customers increasing expectations for banks to have safe and secure payments to anyone, anywhere, at any time and with immediate funds availability. I support the Federal Reserve adopting a 24/7/365 Real Time Gross Settlement Service for faster payments, which could open settlement services to more parties, reduce interbank settlement risk and potentially simplify clearing functions. I support the Federal Reserve developing a liquidity management tool to complement its RTGS service as well as other private-sector solutions, and I have concern about the repercussions if the Federal Reserve does not commit to an operational role in the development of a faster and improved payments system. Without the Federal Reserve linking together the nation's financial institutions, will thousands of community banks and their customers be placed at a competitive disadvantage? YES! It's happening now and becoming more apparent each passing year with non-bank third party providers. I please ask the Federal Reserve to make expeditious and transparent decisions regarding its roles in supporting faster payments in order to remove the cloud of uncertainty and facilitate community banks and their technology partners in developing competitive offerings for our customers.