

Proposal: 1670 - Federal Reserve Actions to Support Interbank Settlement of Faster Payments

Description:

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Comment ID: 136666

From: First National Bank of Raymond, Patty Clarke

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Comments:

NONCONFIDENTIAL // EXTERNAL

November 5, 2019

Ms. Ann Misback  
Secretary  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue  
Washington, DC 20551

Dear Ms. Misback:

First of all, our bank is thankful that the Federal Reserve Board made the decision to develop a real-time gross settlement service (FedNow Service).

As you have heard from many of our community bankers in Illinois (CBAI):

Please do whatever is possible to implement the FedNow Service before the original 2023/24 timetable.

Please make interoperability a high priority.

Please do what is necessary for the Fed to play an integral role in the Payments Directory.

Please do what is possible to develop fraud mitigation standards, and develop an information data base (with an appropriate hold harmless for good-faith contributors) to provide community banks with "robust" capabilities to defeat fraudulent activity and prevent fraud losses.

Please do what is possible to look to the Faster payments Council for guidance in creating rules and standards for real-time payments similar to how NACHA fosters compatibility and integration for the Automated Clearing House.

Please continue to exercise the necessary influence, particularly over TCH's owners and their RTP Network, to protect the payments system through the Reserve Bank's provision of payment and settlement services to banks.

Please use the Fed's regulatory authority to ensure the core processors and other service providers do not disadvantage community banks in their access to real-time payments.

Thanks so much for the opportunity to comment on this proposal.

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