

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

---

Comment ID: 136972

From: Brad Bailey

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

Subject: Federal Reserve Actions to Support Interbank Settlement of Faster Payments

---

Comments:

NONCONFIDENTIAL // EXTERNAL

My comments to the FedNow service proposed to be offered in the years 2023 or 2024.

Our credit union is currently exploring faster payment methods. We are currently looking at Zelle, which is extremely expensive for us and only enriches the banks that created the payment system.

My feeling is the Fed is too little too late in developing a faster and secure method of payment processing. We currently transact millions of ACH and wires each year but they are not immediate.

The primary thing is they are safe and secure.

I think it behooves the Fed to move the timeline up much faster than 2023/2024 or I could foresee the Fed system at some point becoming obsolete. I don't think it will happen in my remaining tenure at Red River or maybe even in my lifetime, but I can see it happening.

If the Fed offered an alternative to the Zelles, Venmos or PayPals that are out there, we would do it immediately and promote it. This unfortunately will not happen so we have to pursue other alternatives. I ask that you try to move that timeline forward so smaller financial institutions can compete with the much larger ones who have vast resources.

Thank you.