



July 09, 2019

Federal Reserve Board
Secretary, Board of Governors
20th Street and Constitution Ave NW
Washington, DC 20551

RE: Docket No. OP-1664

Dear Ann E. Misback,

As a community bank with sixteen branches and \$1.1 billion in assets serving the central Ohio area, and a member of the Faster Payments Council, Heartland Bank appreciates the opportunity to provide comments in support of the Board of Governors of the Federal Reserve System's proposed extension of daily operating hours for the National Settlement Service and corresponding extension of daily operating hours for the Fedwire® Funds service.

The proposed modifications to the NSS and Fedwire® are necessary to support the continued improvement of the nation's overall payment system. The efficiency and reliability of the ACH network has been an integral part of our nation's payment system for over 40 years. With the adoption of the two Same Day ACH settlement windows in 2015, the network, the operators, the payment processors, and the financial institutions all demonstrated their ability to adapt, grow, and advance technology and processes in the interest of improving the efficiency of the payment system. Now should be no different. The communities and businesses we serve demand, and deserve, a better, faster, reliable way to manage their cash flow. Making the necessary changes to accommodate a third Same Day ACH processing window is just another small step forward in providing access to faster payments for all interested parties. Heartland Bank does not anticipate a major operational impact to support the third settlement window. Changes to staff scheduling are not anticipated at this time and would be manageable in the event that future adoption rates demanded such changes. Heartland Bank views these potential modifications to our operational processes as an opportunity to demonstrate our ability to adapt, grow, and innovate in the interest of the communities we serve.

Same Day ACH has grown exponentially in the last two years and with the recent approval of the limit increase and faster funds availability amendments, the use cases and adoption will only continue to increase. However, businesses, consumers and financial institutions on the west coast are being left out of these opportunities to improve payment processing and cash flow with the current ACH settlement windows. Ideally, the nation's settlement system will eventually move to a RTGS structure that is



equitably accessible to all and completely ubiquitous. But until that level of adoption can be reached, the implementation of this third Same Day ACH settlement window is a nearly immediately achievable improvement in the payment system.

In response to the request for comments on the decreased time frames between the closing of NSS and the Fedwire® Funds Service, it is Heartland Bank's position that this will not have a material impact on our liquidity monitoring at this time. Heartland Bank has rarely needed or requested an extension to the third-party cutoff or the Fedwire® Funds Service closing time and does not anticipate this changing in the foreseeable future.

We thank you for the opportunity to express our views regarding this important advancement in our nation's payment system.

Sincerely,

G. Scott McComb
Chairman and CEO

Sarah Hitchens, AAP, NCP
AO, Operations Payment Specialist