

Proposal: 1715 (AF89) Reg. D - Reserve Requirements of Depository Institutions

Description:

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Comment ID: 137295

From: Chris Goforth

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Comments:

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Proposal: Regulation D: Reserve Requirements of Depository Institutions [R-1715]

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Your comment: This is a concerning proposal that in my opinion has not been well thought out.

- What is the difference between a transaction account and savings MMDA/NOW account? If there is none, why have the definition of a savings account at all?

- How does this affect FDIC insurance?

- What is the new risk to account holders when their depository institution is not mandated to hold funds in reserve?

One answer on your recent conference call was that this is a permanent temporary solution to the COVID 19 crisis. There could not be a more oxymoronic statement.

This proposal presents a higher risk to account holders funds by allowing depository institutions to gamble those funds on high risk loans.

I fully oppose it.