

**Meeting Between Staff of the Federal Reserve Board and Members of the Independent
Community Bankers of America (ICBA)
May 11, 2022**

Participants: Michelle Olivier, David Crosby, Jess Cheng, and Kirstin Wells (Federal Reserve Board)

Deborah Phillips and Brian Laverdure (ICBA);
Jackie Herman (Flagship Bank Minnesota); David Long (Bryant Bank);
Tim Schreiber (Farmers State Bank); Derek Williams (Century Bank & Trust)

Federal Reserve Board staff met with the Independent Community Bankers of America (ICBA), which represents the interests of the community banking industry, to discuss the Federal Reserve Board's proposed modifications to the *Policy on Payment System Risk* (Docket No. OP-1749), and specifically the proposal to modify the calculation of daylight overdraft (DLOD) and penalty fees to accommodate a 24-hour business day in support of the launch of the FedNowSM Service. In its comment letter on the proposal, ICBA expressed concerns regarding the proposed fee modifications.

During the call, Board staff discussed the impact of the proposal on DLOD and penalty fees, noting that the fees would decrease, rather than increase as indicated in the *Federal Register* notice. ICBA participants indicated that, in light of this information, the concerns regarding DLOD and penalty fee changes expressed in ICBA's comment letter have been fully addressed. ICBA participants also discussed other topics of interest that were not directly relevant to the PSR policy proposals.