NATIONAL COMMUNITY REINVESTMENT COALITION, JESSE VAN TOL

Proposal and Comment Information

Title: Proposed Revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Account and Services Requests, OP-1878

Comment ID: FR-2026-0013-01-C80

Submitter Information

Organization Name: National Community Reinvestment Coalition

Organization Type: Organization

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Submitted Date: 07/27/2026

Please see attached comment from the National Community Reinvestment Coalition (NCRC) regarding the Federal Reserve's Payment Account proposal. Thank you for your consideration of our comment.
Sincerely-
Tara Flynn
NCRC Policy Director

National Community Reinvestment Coalition

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July 27, 2026

Benjamin W. McDonough
Secretary, Board of Governors
Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, D.C. 20551
Via: https://www.federalreserve.gov/apps/proposals/

RE: Proposed Revisions to the Federal Reserve Policy on Payment System Risk and Guidelines for Account Services and Requests [Docket OP-1878]

Dear Secretary McDonough:

The National Community Reinvestment Coalition (NCRC) appreciates the opportunity to comment on the notice by the Board of Governors of the Federal Reserve System (Federal Reserve) regarding the proposed revisions to the Federal Reserve Policy on Payment System Risk and Guidelines for Account Services and Requests to create special-purpose accounts that would clear and settle certain payment activity (Payment Accounts).

NCRC is a network of more than 700 community-based organizations dedicated to creating a nation that not only promises but delivers opportunities for all Americans to build wealth and attain a high quality of life. We work with community leaders and policymakers to advance solutions and build the will to solve America's persistent racial and socio-economic wealth, income, and opportunity divides, and to make a Just Economy a national priority and a local reality.

The Payment Account proposal sets out a framework for entities that are eligible under the Federal Reserve Act or other federal statute to maintain an account at a Reserve Bank to apply for a Payment Account and outlines several restrictions on Payment Accounts.[1] The Federal Reserve believes that the Payment Account's design will "mitigate the risks that Payment Account holders pose to the Reserve Banks, the payment system and monetary policy implementation."[2] Yet, the proposal also encourages Reserve Banks to pause decisions on Payment Account applications by Tier 3 institutions – non-federally insured institutions that are not subject to prudential supervision by a federal banking agency at the institution or bank holding company level.[3] While placing restrictions on the proposed Payment Accounts and pausing the grant of applications of companies that

[1] 91 Fed. Reg. 30627, 30336 (proposed May 26, 2026).
[2] Id. at 30622.
[3] Id. at 30628.

the Federal Reserve has identified as posing higher risks is laudable, the reasons for doing so – potential for systemic and other risk – raises the question whether the Federal Reserve, instead should launch a Payment Account program in a more limited fashion, such as a pilot program. A pilot program would allow the Federal Reserve to gather data on the implementation and operation of such accounts that could be used to further improve Payment Accounts and identify and prevent any additional risks or concerns.

In general, NCRC believes that to receive access to banking and payments infrastructure, eligible nonbanks such as fintech payment apps, cryptocurrency companies, and other financial technology firms must be subject to strong consumer protections, have responsibilities that come with banking, including the requirement to help meet community needs and invest in communities, and be subject to robust supervision and enforcement on behalf of consumers.

Banks operate in a public policy framework designed to ensure financial institutions help meet household, small business, and community credit needs. Through the Community Reinvestment Act (CRA), regulators assess and rate whether banks are meeting their obligations to serve low- and moderate-income communities and support equitable access to credit and financial services. Yet, as proposed Payment Account holders would not be subject to CRA requirements and would not be required to reinvest in communities, creating a gap in accountability for institutions that benefit from access to the banking payments system without sharing the corresponding responsibility to help meet community needs.

We urge the Federal Reserve to require Payment Account holders to be held to CRA like obligations. At a minimum, the Federal Reserve should evaluate applicants' records of serving low- and moderate-income consumers and communities, require ongoing public reporting, and establish enforceable consumer-protection and community-serving standards.

The Federal Reserve should require Payment Account holders to meet the same standards as banks and other regulated financial institutions. Uniform and consistent requirements should be applied regardless of the entity type. If Payment Account holders operate under weaker standards and avoid safeguards required of other financial institutions, consumers and communities may be left unprotected and at risk.

Thank you for the opportunity to offer our input on the Payment Account proposal. If you have any questions, please contact me at jvantol@ncrc.org, or Tara Flynn at tflynn@ncrc.org.

Thank you for your consideration.

Sincerely,



Jesse Van Tol,
NCRC President and CEO