

Proposal: 1831 Expansion of Fedwire Funds Service and National Settlement Service Operating Hours

Description:

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Comment ID: 160545

From: Service Federal Credit Union, Mark Okscin

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Comments:

Date: Jul 30, 2024

Proposal: Expansion of Fedwire Funds Service and National Settlement Service Operating Hours [OP-1831]

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Your comment: SFCU supports retaining the USDs role as the primary currency in legitimate international and domestic commerce as a critical support to maintaining the flexibility it offers to US policy and economic stability. Determining that level of our participation will depend on the level of participation witnessed in the marketplace as a whole and the impact on our members (both business and consumer). Any time period that we are (or would be) processing activity, we do and will follow our existing operating procedures to maintain proper control over operations. Note that, presently, our member base has not expressed an interest in conducting funding settlements outside of normal business hours. Accordingly, the additional cost to maintain proper controls over operations would have to be absorbed through our existing level of earnings where, eventually, these costs would need to be passed onto our membership who may not directly benefit from this expansion of service. For periods when any type of fund settlements is active, the ability to borrow from the Federal Reserve Banks' Discount Window in some manner that allows an institution the ability to manage their respective liquidity positions is paramount. Otherwise, how does the FRB insure stability? Exactly how the FRB could provide a borrowing facility outside of its current hours of business is their call.