

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

Description:

Comment ID: 160587

From: First State Bank and Trust, Stephen C. Mitze

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Comments:

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Dear Federal Reserve:

I wanted to take a moment to rise in opposition of the proposed expanded days and times for the Fedwire Funds Service and NSS. As a Community Bank in central Illinois, expanded service availability would require additional Saturday/Sunday staffing not currently in place. This staffing need would be problematic from a couple perspectives: 1) increased salary & benefits from additional staff time, and 2) a challenge to Bank management to find staff willing to work a Saturday & Sunday schedule.

In our Central Illinois markets, we would currently have minimal interest from customers in utilizing an expanded payment window. The new FedNOW service helps to facilitate consumer payments within our customer base. We would envision only a very small usage of expanded payment service capability, and would be limited to local title companies that wanted to close residential loan transactions by wire on a Saturday instead of a current Mon-Fri business day schedule.

I would wonder what kind of financial impact expanded operating days for Fedwire and NSS would have on the Fed and its staffing challenges. I believe the FedNOW portal in place is sufficient to meet customer demand for instant payments for the near future, especially at the community bank level.

We thank you for the chance to voice our concerns.

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