



ASSOCIATION FOR  
FINANCIAL  
PROFESSIONALS

September 5, 2024

Via Electronic Submission

Ann E. Misback  
Secretary  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue, N.W.  
Washington, D.C. 20551

**RE: Docket No. OP-1831**

Dear Ms. Misback,

The Association for Financial Professionals (AFP) appreciates the opportunity to provide comments on the Federal Reserve Board of Governors' (the "Fed") proposal (the "Proposal") to extend the operating days of Fedwire and the National Settlement Service ("NSS") to seven days a week, including holidays. This proposal is of significant importance to our members and the finance profession as a whole.

As the global resource and advocate for the finance profession, AFP serves over 16,000 members who manage and safeguard the financial assets of more than 5,000 U.S. organizations. Many of our members are responsible for the cash management of their organization: issuing short- and long-term debt, managing the corporate cash, 401(k) and pension assets, and hedging foreign exchange transactions. In these fiduciary capacities, they rely on Fedwire and the NSS to carry out their duties.

Our members rely heavily on their financial institutions for a range of services, including investments, bonds, and capital markets. According to the 2024 AFP Liquidity Survey, financial institutions with access to Fedwire and NSS are vital to an organization's financial supply chain. On average, about 47% of an organization's operating cash or working capital is held with these financial institutions — across interest-bearing accounts, CDs, time deposits, and non-interest-bearing DDAs — domestically and internationally. Additionally, 19% of operating cash is held in government money market funds, and 12% is invested in treasury securities.

Financial institutions are also the number one source for investment information. They provide liquidity through loans, capital market solutions, and working capital solutions. Our members rely heavily on their bank relationships to carry out their duties; therefore, certain challenges must be considered from the corporate treasury professional's perspective regarding access to the various payment and clearing settlement networks in the United States and abroad.

Global financial markets operate continuously, and under the current limitations of Fedwire and NSS, which close on weekends and holidays, inefficiencies and risks are needlessly created. Moving to a seven-day per week schedule, including federally observed holidays, would eliminate operational bottlenecks, particularly on holidays such as Indigenous People's Day and Veteran's Day when markets are open, but the Fed is not. This change would enhance liquidity, reduce settlement risk, and streamline transactions across financial systems if all clearing and settlement systems, including DTCC, CHIPS, CLS, and ACH, had the same operating hours.

**Members' comments:**

*Opportunities*

- For retail companies, this is a great opportunity, particularly in regard to accelerating credit/debit card settlements.
- Highly leveraged companies may see opportunities to manage liquidity and interest fees more dynamically.
- For global companies, it could create synergies for markets on different schedules and link those in a more real-time environment to their global financial supply chains.
- Financial institutions could provide liquidity solutions to support a seven-day operating structure as they do for a five-day operating structure for end users.

*Risks*

- There would definitely be costs associated, which include technology upgrades (particularly treasury management systems (TMS) and ERPs (enterprise resource planning systems), employee training, on-premises security, cybersecurity and regulatory adjustments.
- Financial institutions will likely incur additional costs to support weekend operations, including staffing and technology upgrades, which will then be passed on to clients.
- Possible increased exposure to fraud or system failures could occur, and end users would need to enhance risk management protocols (i.e., managing positive pay and ACH debit filters on weekends).
- Considering the recent banking crisis in March of 2023, and with a seven-day operating cycle, the FDIC would not have the weekend to resolve banking matters and would need to move quickly to avoid bank runs, especially for corporate deposits.
- Corporations will need liquidity access over the weekend and will likely need to rely on the Fedwire Securities Service to operate simultaneously.

Thank you for the opportunity to provide comments. If AFP can be of any assistance or answer any questions, please do not hesitate to contact me at [thunt@afponline.org](mailto:thunt@afponline.org) or (301) 961-8676.

Sincerely,



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Director of Treasury Services  
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