

Press Releases

Chairwoman Waters Applauds Long-Overdue Fed Decision on Real-Time Payments

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Tags: [Federal Reserve](#) , [Community Banks](#) , [Task Force on Financial Technology](#)

WASHINGTON, D.C. - Today, **Congresswoman Maxine Waters (D-CA)**, Chairwoman of the House Financial Services Committee, issued the following statement on the Federal Reserve’s decision to modernize its interbank payments system into a real-time gross settlement (RTGS) service, which will allow our nation’s consumers to have immediate access to funds deposited into their bank accounts.

“The Federal Reserve has put off meaningful action on payments system innovations for many years and I am pleased to see that Chairman Powell has finally taken action. Today’s decision towards innovating the payments system will benefit consumers, small businesses, community banks and credit unions, and it will bring the U.S. payments network into the digital era. By creating a system for instant payments, millions of Americans living from paycheck to paycheck can breathe a sigh of relief as they will be able to settle payments securely and with ease. These payment transactions can be the difference between making rent or putting food on the table for many underserved populations and can help families across the country avoid paying hefty fees related to late payments due to their account funds being withheld for several days. I have long called for prudential regulators to take the steps needed to drive financial inclusion and will continue my efforts to ensure the unbanked and underbanked are provided with flexible, secure and affordable means to financial services.”

Chairwoman Waters and Committee Democrats have continuously worked to ensure the Federal Reserve is properly utilizing its resources to innovate the payments system.

Last week, the Chairwoman [announced](#) a Task Force on Financial Technology hearing entitled, “The Future of Real-Time Payments.” This Task Force hearing will be chaired by Rep. Stephen Lynch (D-MA) and will take place on Thursday, September 26.

Following the full Committee hearing on monetary policy and the state of the economy in July, Chairwoman Waters called and urged Federal Reserve Chairman Powell to consider moving forward with a faster payments system that would benefit consumers and financial institutions of all sizes.

Additionally, Reps. Ayanna Pressley (D-MA) and Jesús “Chuy” García (D-IL), Members of the House Financial Services Committee, introduced the [Payment Modernization Act of 2019](#) in July, which clarifies that the Federal Reserve has existing authority to build a real-time payments system and requires the Fed to implement its own such system.

In 2018, Rep. Gregory Meeks (D-NY), Chairman of the Subcommittee on Consumer Protection and Financial Institutions, and Rep. Joyce Beatty (D-OH), Chairwoman of the Subcommittee on Diversity and Inclusion, led [a letter](#) to Chairman Powell requesting that the Federal Reserve use its existing authority to mandate real-time payments.

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