

# Faster Payments Task Force Steering Committee Teleconference June 8, 2016 Meeting Summary

## Welcome, Agenda and Updates<sup>1</sup>

Sean Rodriguez, Faster Payments Strategy Leader, started the call indicating that 291 revised participation agreements had been received. This compares with 342 participants prior to the revised agreement, with many of those who did not re-sign indicating that they were unable to continue devoting the time to the task force effort. In response to a question, Connie Theien, Vice President, Federal Reserve Bank of Chicago, indicated that analysis on the representativeness of the industry segments was being undertaken and would be shared with the Faster Payments Task Force Steering Committee (FPSC).

Mr. Rodriguez also noted that the revised Decision-Making Framework had been approved with a 99.5% consent rate, with 73% of task force members participating in the vote.

## Assessment Process

### Advisory Group Update

Christina Tetreault, Consumers Union, informed the FPSC that there had been a Qualified Independent Assessment Team (QIAT) process concern raised to the QIAT Advisory Group and that the process for escalating concerns had worked. She could not disclose any details of the concern raised.

### Task Force Commentary Period Objectives and Content

Kassi Quimby, Associate Director, Federal Reserve Board, reviewed the Faster Payments Task Force (FPTF) feedback from the May 18-19 in-person meeting on the objectives and content for FPTF commentary on the proposals and QIAT assessments. Several suggestions had been made to give guidance to the FPTF, including: defining commentary parameters to assist FPTF members in providing appropriate, focused feedback; developing specific methods and tools the FPTF could use in providing feedback; and standardizing feedback and data collection methods. Around two-thirds of the FPTF indicated via a poll conducted at the May meeting that three months was an appropriate length of time for the commentary period. The FPSC agreed that given the number of proposals it was necessary for the FPTF to devote this time to their commentary.

### Task Force Commentary Period Process Feedback

Connie Theien, Vice President, Federal Reserve Bank of Chicago, reviewed the FPTF feedback from the May in-person meeting on the three phases of the commentary period: education (preparing for the commentary period); dialogue and commentary; and insights and implications. From the feedback, Ms. Theien discussed updates to the tactics that could be developed to assist FPTF members leading up to and throughout the commentary period, including leveraging FPTF experts for educational webinars on different topics and providing more opportunities for online dialogue. On this second tactic, the FPSC debated ways to enable dialogue between proposers and FPTF members while ensuring all FPTF members had access to any additional information provided by proposers on their proposals.

## Final Report

Kandice Alter, Assistant Vice President, Federal Reserve Bank of Chicago, reviewed the FPTF feedback from the May in-person meeting on the objectives and audience for the final report. The FPTF had largely agreed with the final report objectives, although there was some hesitation expressed as to whether the report could go so far as to “motivate” the industry to progress toward a safe, ubiquitous, faster payments capability. On the audience for the report, the FPTF suggested a range of targeted

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<sup>1</sup> Nick Billman, Counsel, Federal Reserve Bank of Kansas City, reminded those in attendance to participate in a manner consistent with Anti-Trust and other applicable laws.

stakeholders, including academia, payment networks and regulators. Some FPTF members had suggested that different parts of the final report could be targeted to specific stakeholders.

The FPTF had provided considerable input on the potential content and purpose of the landscape and benefits section of the report. Key themes that FPTF members suggested, included: describing the current domestic and global state of payments; demonstrating the need for faster payments; highlighting evolution in the market; and defining the business case for faster payments. Ms. Alter also discussed the feedback on the challenges and opportunities section, indicating that the FPTF suggested that each challenge and opportunity should cover a definition of the issue, consideration of individual stakeholders' needs and impact, a review of best practices, and consideration of international plans and implementations.

Roy DeCicco, Accredited Standards Committee X9, recapped the plan to release the final report in four phases: task force background and process (Release 1); payments landscape and drivers of change (Release 2); proposals and assessments (Release 3); and challenges, opportunities and next steps (Release 4). The phased-release approach had been designed to address the delay in the final report resulting from the large number of proposals received. The FPTF had been asked to provide feedback on this phased approach at their in-person meeting. While they were generally supportive of a phased approach, they had raised concerns about the long lag between Releases 3 and 4 (planned for release in February 2017 and June 2017, respectively), particularly a loss of momentum and support for the FPTF work.

Mr. Rodriguez indicated that based on the feedback, consideration had been given to a revised phased-release approach. An alternative approach he discussed involved a three-phase release plan, which would include a draft of the challenges and opportunities section to be released along with the QIAT assessments and proposals. The FPSC expressed concern about the tight timeline to release a draft on the challenges and opportunities. Some members also noted that the draft could be misguided because FPTF members would not have had time to fully reflect their review of the proposals into the draft. Mr. Rodriguez indicated that a more detailed plan would be developed, taking into account the reactions from the FPSC.

Mr. DeCicco gave an update on the Challenges and Opportunities Work Group. He noted that the work group had held its first meeting on May 19 and he announced the leaders for each sub-work group challenge and opportunity topic.

#### **2016 and 2017 Tentative Meeting Schedule, and Close**

Mr. Rodriguez indicated that drop-in calls for the FPSC would be set up ahead of the June 30 FPTF teleconference so that the plan for final report could be revisited. He recapped the revised meeting schedule for the remainder of 2016 and provided some tentative suggestions for the timing of meetings in early 2017.