



RETAIL INDUSTRY LEADERS ASSOCIATION

99 M Street, SE
Suite 700
Washington, DC 20003

www.rila.org

September 24, 2019

Honorable Mike Crapo
Chairman
Committee on Banking, Housing and
Urban Affairs
United States Senate
543 Dirksen Senate Office Building
Washington, D.C. 20520

Honorable Sherrod Brown
Ranking Member
Committee on Banking, Housing and
Urban Affairs
United States Senate
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Crapo and Ranking Member Brown:

The Retail Industry Leaders Association (RILA) supports the recent announcement by the Board of Governors of the Federal Reserve to establish a faster payment system in the United States and appreciates the Senate Committee on Banking, Housing and Urban Affairs holding a hearing on "*Facilitating Faster Payments in the U.S.*". RILA welcomes the opportunity to partner with the Committee as the FedNow infrastructure is developed. The engagement by the Federal Reserve will help achieve ubiquitous, safe, and efficient faster payments across the ecosystem and, more importantly, benefit all Americans.

RILA is the U.S. trade association for leading retailers. We convene decision-makers, advocate for the industry, and promote operational excellence and innovation. Our aim is to elevate a dynamic industry by transforming the environment in which retailers operate. RILA members include more than 200 retailers, product manufacturers, and service suppliers, which together account for more than \$1.5 trillion in annual sales, millions of American jobs, and more than 100,000 stores, manufacturing facilities, and distribution centers domestically and abroad.

During the past few years, RILA has been a collaborative partner with the Federal Reserve by working with the Secure and Faster Payment Task Forces (SPTF and FPTF). These efforts brought industries from across the payment ecosystem together to discuss a wide range of policy issues, with the overall goal of updating and improving the nation's payment infrastructure. These efforts culminated in the decision to establish FedNow.

FedNow will not only have a positive impact on the merchant community, but it will also benefit the American consumer. As retailers, it is not uncommon to hear from our customers about the length of time it takes for debit transactions to be completed. This is especially true for

Americans who are underbanked, living on fixed incomes, and facing budget constraints. Establishing a real time payment system in the United States would benefit all American consumers by providing more clarity and control over their finances.

Over the past several decades, RILA has seen competition and innovation in the payments ecosystem stifled by a small group of legacy players. This is one of the key reasons why RILA supports the Federal Reserve's involvement. The Federal Reserve's decision to move forward on FedNow would not only complement the current services they provide in the payments arena but also—and more importantly—ensure there is competition in the market that provides a choice for all industries.

Once again, RILA commends the Federal Reserve's decision to establish FedNow, which will ensure scale, reach, and competition are achieved for faster payments in the United States. There will undoubtedly be policy disagreements as the FedNow infrastructure is created, but there should be no dispute that the Federal Reserve has the clear authority to engage in this area.

RILA is prepared to work as a collaborative partner to achieve this ambitious undertaking with all Members of Congress, key stakeholders in the payment ecosystem, and the Federal Reserve. Failure to move forward on this critical initiative will leave our nation further behind in the payments arena, potentially harm economic growth, and—above all—limit the financial choices of the American public.

Sincerely,



Austen Jensen
Senior Vice President, Government Affairs

cc: Members of the Committee on Banking, Housing and Urban Affairs

