



FEDERAL RESERVE BANK  
OF DALLAS

HELEN E. HOLCOMB  
FIRST VICE PRESIDENT AND  
CHIEF OPERATING OFFICER

November 18, 1996

DALLAS, TEXAS  
75265-5906

**Notice 96-117**

**TO:** The Chief Operating Officer of each  
financial institution and others concerned  
in the Eleventh Federal Reserve District

**SUBJECT**

**Appointment of Committee to  
Conduct Review of the Federal Reserve's  
Participation in Payment Services**

**DETAILS**

Federal Reserve Chairman Alan Greenspan has appointed a committee of senior Federal Reserve officials to conduct a fundamental review of the Federal Reserve's participation in payment services to banks and other financial institutions. The Federal Reserve provides payments services to financial institutions and charges a price for the service. It provides similar services as agent for the U.S. Treasury and other federal agencies.

**ATTACHMENT**

A copy of the Board's press release listing the committee members and detailing the purpose of the committee is attached.

**MORE INFORMATION**

For more information, please contact Larry Snell, (214) 922-5571, at the Dallas Office; Eloise Guinn, (915) 521-8201, at the El Paso Office; Luke Richards, (713) 652-1544, at the Houston Office; or Herb Barbee, (210) 978-1402, at the San Antonio Office.

For additional copies of this Bank's notice, please contact the Public Affairs Department at (214) 922-5254.

Sincerely,

*Helen E. Holcomb*

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For additional copies, bankers and others are encouraged to use one of the following toll-free numbers in contacting the Federal Reserve Bank of Dallas: Dallas Office (800) 333-4460; El Paso Branch *Intrastate* (800) 592-1631, *Interstate* (800) 351-1012; Houston Branch *Intrastate* (800) 392-4162, *Interstate* (800) 221-0363; San Antonio Branch *Intrastate* (800) 292-5810.

# FEDERAL RESERVE press release



For immediate release

October 17, 1996

Federal Reserve Chairman Alan Greenspan has appointed a committee of senior Federal Reserve officials, headed by Board Vice Chair Alice M. Rivlin, to conduct a fundamental review of the Federal Reserve's participation in payment services to banks and other financial institutions.

The Federal Reserve provides payments services, including check clearing and electronic transfer of funds, to financial institutions and charges a price for the service. It provides similar services as agent for the U.S. Treasury and other Federal agencies. Payment services are also performed by the private sector.

Formation of the special committee is the next step in the continuing review of Federal Reserve payment services discussed by Dr. Greenspan in testimony earlier this year before the Senate Banking Committee. In announcing the committee today, he said: "Given the significant changes occurring in payment processing, this is an opportune time to assess the Fed's role in the payments systems of the 21st century."

In addition to Dr. Rivlin, other members of the committee are Federal Reserve Governor Edward W. Kelley, Jr., William J. McDonough, President of the Federal Reserve Bank of New York, and Thomas C. Melzer, President of the Federal Reserve Bank of St. Louis.

The committee will consider a wide range of options and will solicit views from within the Federal Reserve System, financial institutions active in the payments system, and other users. The committee has the discretion to bring in outside specialists and consultants as part of its inquiry.

Work will begin immediately, but no time frame was established for the completion of the committee's task. Chairman Greenspan asked that the committee report to the Board of Governors on progress and results.

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