



Reporting On FedNow Early Adopters

Formal Certification for FedNow Service Begins This Week

By

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The FedNowSM Service takes its next big step this week. I included a brief note in a November *Real Journalism Newsletter* about the Federal Reserve Bank in New York doing a pilot project with several U.S. banks for three months. That pilot project is now complete and FedNow begins the formal certification of participants this week. The full service will launch officially in July.

“We couldn’t be more excited about the forthcoming FedNow launch, which will enable every participating financial institution, the smallest to the largest and from all corners of the country, to offer a modern instant payment solution,” said Ken Montgomery, first vice president of the Federal Reserve Bank of Boston and FedNow program executive. “With the launch drawing near, we urge financial institutions and their industry partners to move full steam ahead with preparations to join the FedNow Service.”

“With the FedNow Service, the Federal Reserve is creating a leading-edge payments system that is resilient, adaptive and accessible,” said Tom Barkin, president of the Federal Reserve Bank of Richmond and FedNow Program executive sponsor. “The launch reflects an important milestone in the journey to support financial institutions serve customer needs for instant payments to better support nearly every aspect of our economy.” [Explore FedNow](#)

The FedNowSM Service is an instant payment system that has been in the works for more than three years. It is designed to support account-to-account transfers, bill pay, along with features to help mitigate fraud.

Reporting On FedNowSM

It's important for journalists to quickly get up to speed on FedNow well before its official launch this summer. It is going to be a big change for bankers and consumers. Money is about to go digital. You can check out an article I wrote for [Real Journalism last October](#) that goes into more depth about what's about to happen to the U.S. banking system.

A key for journalists is to understand all sides of what it means for the U.S. dollar to go digital. While many people love the idea, others are concerned about financial privacy and accessibility. Some of the concerns are that a move to digital currency would give the federal government the power to control how people spend their money, what they are allowed to purchase or not purchase, and that people's money might expire after a period of time that the government would determine. That may or may not be true, and so it is important to do your homework now and inform your audience.

The official launch of the FedNow program is about three months away, but you could begin reporting on the formal certification program now. Contact banks and other financial institutions in your area and ask them if they will be participating as an “early adopter” prior to the July launch. Talk with them about why they are interested in the program and how they believe it will help their customers. See if they will allow you to follow some transactions to see how the system will work.

Also talk with financial advisors and economic professors who may have a different view. Talk with consumers to see what they think about the dollar going digital. Should make for some good stories — maybe even a special series of reports.

[I’ll follow up with more information when FedNow launches in July.]



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