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Federal Reserve announces July launch for the FedNow Service

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The Service will Debut with Financial Institutions and the U.S. Treasury on Board

CHICAGO – The Federal Reserve announced that the FedNow Service will start operating in July and provided details on preparations for launch.

The first week of April, the Federal Reserve will begin the formal certification of participants for launch of the service. Early adopters will complete a customer testing and certification program, informed by feedback from the FedNow Pilot Program, to prepare for sending live transactions through the system.

Certification encompasses a comprehensive testing curriculum with defined expectations for operational readiness and network experience. In June, the Federal Reserve and certified participants will conduct production validation activities to confirm readiness for the July launch.

"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."

Many early adopters have declared their intent to begin using the service in July, including a diverse mix of financial institutions of all sizes, the largest processors, and the U.S. Treasury.

In addition to preparing early adopters for the July launch, the Federal Reserve continues to engage a range of financial institutions and service providers to complete the testing and certification program and implement the service throughout 2023 and beyond. Montgomery noted that availability of the service is just the beginning, and growing the network of participating financial institutions will be key to increasing the availability of instant payments for consumers and businesses across the country.

The FedNow Service will launch with a robust set of core clearing and settlement functionality and value-added features. More features and enhancements will be added in future releases to continue supporting safety, resiliency and innovation in the industry as the FedNow network expands in the coming years.

"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 help financial institutions serve customer needs for instant payments to better support nearly every aspect of our economy."

About the FedNow Service

The Federal Reserve Banks are developing the FedNow Service to facilitate nationwide reach of instant payment services by financial institutions — regardless of size or geographic location — around the clock, every day of the year. Through financial institutions participating in the FedNow Service, businesses and individuals will be able to send and receive instant payments at any time of day, and recipients will have full access to funds immediately, giving them greater flexibility to manage their money and make time-sensitive payments. Access will be provided through the Federal Reserve's FedLine[®] network, which serves more than 10,000 financial institutions directly or through their agents. For more information, visit [FedNowExplorer.org](https://www.fednowexplorer.org).