

BIG HORN FEDERAL SAVINGS BANK, JOHN COYNE III

Proposal and Comment Information

Title: Check Services - Request for Information and Comment on the Future of the Federal Reserve Banks' Check Services, OP-1874

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Subject

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Submitter Information

Organization Name: Big Horn Federal Savings Bank

Organization Type: Company

Name: John Coyne III

Submitted Date: 03/13/2026

Benjamin W. McDonough

Deputy Secretary

Board of Governors of the Federal Reserve System

20th Street and Constitution Avenue NW

Washington, DC 20551

Dear Deputy Secretary McDonough:

I appreciate your time and effort in reading and representing banks like Big Horn Federal as we start to explore the value system of checks versus other payment rails for the United States. Big Horn Federal is Mutual Savings Bank that was established in 1935. We serve in North Central Wyoming and are represented by branch locations in 6 separate communities. By our natural geographic footprint, our support extends to a number of even smaller feeder communities that are unbanked because of population limitations. Our largest community is Cody Wyoming while our smallest is where our headquarters are located, being in Greybull Wyoming. Although we serve predominately small rural communities the bank manages close to \$400Million in assets and serves close to 18,000 unique customers. Although shows like Yellowstone have created a somewhat false romance about our way of life, there are hints of truth in how our communities operate and independence that comes with living in smaller communities that exist in rural Wyoming.

It is for this reason that appreciate your interest in the ongoing life cycle of the check. Although, I understand that it may be nearing its end for many, I do not believe that to be the case for those that we serve. A check is still a vital form of payment and continues to bear the heaving lifting in both its volume and use within those that we serve. Checks are vital part of our bank and there elimination would cause harm to those we serve. Our heavy users continue to be our elder population along with our small businesses that include our ranch & farm communities. The check and its use for these folks help them live outside of the technological universe and more importantly allows them to limit their cost of commerce by not being subject to the technology companies and built in incentives to create technological obsolesces and continue to increase costs with use of their platform. Our small communities operate in trust and for that reason, the fraud element to a check is sheltered and in those cases where it does take place, those losses are limited and disproportionate to the good that they serve. Our communities come with good people who struggle to stay above the poverty. In many cases the use of the check at the grocery store and the float that it provides can save some from the embarrassment of

having insufficient funds and instead passes that to us to help them navigate the payment of that check while supplying the small business with the funds to continue operations.

Although I recognize that some of these stories that I have provided are not of concern for many of the largest banks and population centers the use of the check is still vitally important to some. I will concede that nationally the decline in the usage of checks are real, I do not believe that an economy built on free market principles should accelerate the elimination of this type of payment rail. The forethought in the creation of the Fed Reserve to be an independent body outside of the political influence should carry the same principles in its role with checks. It should not place its thumb on the scales. It should not choose a winner or loser in the business of transacting money along the payment rail. I believe it should allow for personal choice to dictate the remaining life of the check.

The innovation that is being supported with operations like FedNow are important and crucial to our future. I would argue that efforts to “decentralize banking” by the use of tokens, stable coin and crypto assets have far broader implications than that of the check. Although I am no fan of this type of payment rail, I do not believe that my personal opinions should outweigh others who are true believers in this payment rail. The beauty is I can chose to play in this realm or I can choose to make or receive payments in another way. If we artificially eliminate or time bomb the check, you are effectively eliminating some of the very foundational pieces of a centralized bank, that was created to serve all of us, not just those that can find gain in a decentralized payment rail.

I appreciate the ability to weigh in as we seek input to this critical topic.

Respectfully,

John Coyne III

Chairman, CEO & President

Big Horn Federal

Greybull, Wyoming

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