

BANK OF COLORADO, CAMERON ARMAGOST

Proposal and Comment Information

Title: Proposed Revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Account and Services Requests, OP-1878

Comment ID: FR-2026-0013-01-C50

Subject

RE: Proposed Revisions to the Federal Reserve Policy on Payment System Risk and the Guidelines for Account and Services Requests [Docket No. OP-1878]

Submitter Information

Organization Name: Bank of Colorado

Organization Type: Organization

Name: Cameron Armagost

Submitted Date: 07/24/2026

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Benjamin W. McDonough
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Dear Secretary McDonough:

I am Cameron Armagost, Market President at Bank of Colorado, a community bank based in Fort Morgan, Colorado that serves a diverse demographic of farmers, ranchers, small businesses, and families in our region. I appreciate the opportunity to comment on the Board's proposal to establish a special-purpose payment account.

Community banks meet rigorous standards for capital, supervision, consumer protection, and deposit insurance. These requirements protect depositors, support responsible local lending, and help keep the payment system safe. By granting direct access to the Federal Reserve payment system to institutions that are not subject to the same prudential, supervisory, and community-focused requirements, the proposal extends the benefits of Federal Reserve access without the corresponding safeguards. It could also divert deposits and payment activity away from the community banks like mine that support local economic development. Not to mention the thousands of dollars and countless hours our team donates back into our community annually.

I am also concerned about the risk to the payment system. Extending this access shifts critical responsibilities, including Bank Secrecy Act/anti-money laundering and sanctions compliance, onto entities that may have less oversight than banks.

If the Board proceeds, I urge it to adopt strong, mandatory guardrails: a low limit on account balances and on the number of accounts during an initial period; mandatory Bank Secrecy Act/anti-money laundering and sanctions compliance requirements for every account holder; clear off-ramps and ongoing review if risks emerge; and an explicit statement that a payment account is not a pathway to a master account. Access to the Federal Reserve's accounts and services should remain tied to strong prudential oversight.

Thank you for considering my views.

Respectfully,

Cameron Armagost
Market President
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