AMERISTATE BANK

September 15, 2025

To:
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Re: Public Comment on Proposed Revisions to 12 CFR Part 363 (FDIC Regulatory Threshold Adjustments and Indexing)

Dear Members of the FDIC,

I am writing in my role as Executive Enterprise Risk Officer of **AmeriState Bank in Atoka, Oklahoma** to provide comments on the FDIC's proposed changes to **12 CFR Part 363** relating to annual independent audits and reporting requirements.

AmeriState Bank is a community bank with approximately **$462 million in assets and seven branches across Oklahoma and Texas**. As an institution that will soon breach the **$500 million threshold**, this proposal is of immediate and significant importance to us. Without an update to the thresholds, we would be subject to substantially higher compliance obligations in the near future—not because of material changes in our risk profile, but simply due to inflation and balance sheet growth.

General Support for the Proposal

We strongly support the FDIC's effort to raise the Part 363 asset thresholds and to implement indexing to inflation. These changes are urgently needed to modernize the framework and ensure that compliance obligations remain proportionate to institutional size and risk.

Threats to Community Banking

1. **Urgency for Institutions Near the Threshold**
   At $462 million in assets, AmeriState Bank is on track to cross the $500 million threshold soon. Absent the FDIC's proposed changes, this would trigger costly and burdensome new requirements that are disproportionate to our size and complexity. The proposed adjustment is not just helpful—it is essential to prevent an unintended regulatory burden from being imposed on us and other similarly situated institutions.

2. **Rising Cost of Compliance**
   Compliance costs continue to rise sharply. Meeting expanded audit and internal control

requirements would require us to hire additional staff or retain costly third parties. These expenses place an outsized burden on a bank of our size and divert resources away from serving our communities.

3. **Technology and Vendor Pressures**
   Increasingly, compliance requires investment in expensive technology systems or vendor solutions. While larger banks can absorb these costs, smaller community banks like ours are forced to make difficult tradeoffs between regulatory obligations and customer service priorities.

4. **Predictability Through Indexing**
   Indexing thresholds to inflation provides stability and ensures that banks will not be pushed into new compliance regimes merely due to inflationary growth. This will allow for better long-term planning and resource allocation.

5. **Broader Indexing Endorsement**
   We also strongly endorse extending indexing to other regulatory thresholds that have become stale and unrealistic in today's economic environment. Outdated thresholds across multiple regulations create unnecessary burden without enhancing safety or soundness. Broader indexing would ensure regulations remain relevant and proportionate.

Conclusion

AmeriState Bank supports the FDIC's proposed revisions to Part 363. With $462 million in assets, we are a bank that will soon breach the current $500 million threshold, and the need for timely adoption of these changes is urgent. By aligning obligations with true institutional risk, addressing the rising cost of compliance, and extending indexing to other outdated thresholds, the FDIC can provide meaningful relief while maintaining safety and soundness.

Thank you for the opportunity to comment. I would be pleased to provide additional perspective on how these changes affect community banks like ours in Oklahoma and Texas.

Sincerely,

[redacted]

George Clark
Executive Enterprise Risk Officer
AmeriState Bank
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