

From: [D. Joe Caffee](#)
To: [Comments](#)
Subject: [EXTERNAL MESSAGE] RIN 3064-AG15
Date: Tuesday, September 23, 2025 7:27:24 AM

Ms. Jennifer M. Jones
Deputy Executive Secretary
Attention: Comments
RIN 3064-AG15
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Ms. Jones,

I am submitting this letter in response to the FDIC's request for comment on its asset threshold proposal.

As you know, Part 363 asset thresholds were last updated twenty years ago. Considering the impact of consolidation of our industry, coupled with rising inflation, upward adjustments to the thresholds established in 2005 makes good sense. When Congress enacted FDICIA, it expressly exempted small institutions from the expensive independent annual audit and reporting requirements and gave the FDIC the discretion to increase the exemption threshold as needed over time. I am supportive of this long-overdue proposal to raise Part 363's applicability threshold. Smaller banks, like First State Bank of Middlebury, are not responsible for the systemic risk concentrated within the nation's largest, most complex financial institutions, the proposal will achieve meaningful burden reduction without sacrificing safety and soundness or posing risk to the FDIC's Deposit Insurance Fund.

A \$10 billion threshold would best align regulatory requirements with the realities of today's banking landscape and prevent institutions from being prematurely subjected to expensive compliance burdens that are intended to apply to large banks that pose significant risks to the financial system. My own bank, First State Bank of Middlebury, is rapidly approaching the current \$1 billion threshold and we are wrestling with how to efficiently meet the compliance costs, time, resources, and other burdens. These burdens simply outweigh the benefits of the requirements.

Thank you to the FDIC for the opportunity to submit comments on this proposal. Raising the threshold would be immediately impactful to banks like First State Bank who work every day to meet the needs of main street USA customers. I look forward to the increased thresholds.

Regards,



Joe Caffee | President & CEO

